

DAILY REPORT

China

Vol I No 233

3 December 1984

PRC INTERNATIONAL AFFAIRS

GENERAL

CPC Liaison Department's First Press Conference	A 1
Zhao Ziyang Congratulates Chinese Judge	A 1
U.S.-USSR Nuclear Nonproliferation Round Ends	A 2
Soviet-U.S. Relations in Reagan 2d Term Viewed	A 2
U.S. Naval Task Forces Enter Sea of Japan	A 4
PRC Attends UN Donors Conference on Gambia	A 5
Overseas Banks in Shanghai To Expand Services	A 5
Deng Liqun Attends Book Company Anniversary	A 6
PRC Antarctic Expedition Crosses Equator	A 6
PRC Beats Taipei Basketball Team in Malaysia	A 6

UNITED STATES

OPIC Chief, U.S. Executives Visit Beijing	B 1
Discuss Investment in PRC	B 1
Meet Yao Yilin	B 1
Zhang Jingfu Meets U.S. Polaroid Chairman	B 2
Fujian Governor, Delegation Visit San Francisco	B 2
U.S. Police Locate Henry Liu Murderers	B 3
Suspect Set Free	B 3
Reagan Charges USSR Ships MIGs to Nicaragua	B 4
U.S., USSR To Resume Agricultural Exchanges	B 4
Pro-Defense Group Says U.S. Buildup Not Enough	B 5
Reagan, Kohl Confer, Issue Joint Statement	B 6
Slow Growth Seen for U.S. Economy in 1985	B 7
Shanghai Art Exhibit Concludes U.S. Tour	B 8

SOVIET UNION

Trade, Payment Agreement Signed in Moscow	C 1
Soviet Friendship Delegation Leaves for Home	C 1
Delegation To Visit PRC Students in USSR	C 1

NORTHEAST ASIA

Wang Zhen Meets Japanese Economic Delegation	D 1
Qiao Shi Meets Japanese Legislator, Group	D 1
PRC Official Meets Japanese Petrochemical Group	D 1
PRC, Japan Agree To Exchange Computer Technicians	D 1

SOUTHEAST ASIA & PACIFIC

Ye Fei Leads NPC Delegation to Burma, Thailand	E 1
PRC Railway Minister Holds Talks in Burma	E 1

Guangxi Radio Begins Broadcasts to Vietnam
Comment on Broadcasts

E 2
E 2

SOUTH ASIA

PRC Ambassador to India Presents Credentials
Dhaka Rally Protests USSR Afghanistan Aggression

F 1
F 1

WESTERN EUROPE

Song Ping, Britain's Energy Minister Discuss Oil
UK's Thatcher Calls for More United Europe

G 1
G 1

EASTERN EUROPE

Romania's Ceausescu Receives Liu Fuzhi
Civil Aviation Delegation Visits Romania
Wang Zhaoguo Meets Yugoslav Youth Delegation

H 1
H 1
H 1

MIDDLE EAST & AFRICA

Huang Hua To Lead NPC Group to Tanzania, Zambia
Tian Jiyun Says Nigeria Talks Improving Ties
Tian Departs for Benin
Tian Jiyun, Delegation Arrive in Benin
XINHUA, MENA Sign Expansion Cooperation Accord
Investment Delegation Leaves for Gulf Countries
Somali Foreign Minister Postpones PRC Visit
Roundup Views Progress of Somalian Economy
Shantou City Sends Workers To Build Libyan Road

I 1
I 1
I 1
I 2
I 2
I 2
I 2
I 3
I 4

PRC NATIONAL AFFAIRS

RENMIN RIBAO Urges Cutting Bureaucratic 'Fat' [1 Dec]
Enlightenment Necessary in Delegating Powers
[RENMIN RIBAO 3 Dec]
Personal Responsibility System Examined
[RENMIN RIBAO 27 Nov]
Xi Zhongxun Receives Dalai Lama's Representatives
Representatives Issue Statement
Zhang Tingfa on Building Leadership Groups
[RENMIN RIBAO 29 Nov]
Li Xiannian Gives Instructions on Sichuan Work
Meets Liberated Area Residents
Li Xiannian Departs Chengdu, Arrives in Beijing
Vice Premier Wan Li Returns to Beijing 30 Nov
Leaves Urumqi
Greeted at Airport
Fang Yi Addresses new XINHUA Service Reception
Leaders Commend Outstanding Journalists
Hu Qiaomu Greeting
Wang Zhen Visits Taiyuan Industrial Companies
Visits Steel Company
Opens Coal Mine
Opens Coking Plant

K 1
K 2

K 3

K 5
K 6
K 7

K 8
K 9
K 11
K 11
K 11
K 12
K 12
K 13
K 14
K 15
K 15
K 15
K 15

Zhang Aiping Greets Army Youth Award Meeting	K 16
Hu Qili Inspects Jiangsu's Education 24-16 Nov	K 17
Xi Zhongxun, Yu Qiuli Attend Beijing Concert	K 17
Fang Yi Speaks on Science, Technology Work	K 18
Hu Yaobang Endorses Summer Palace Restoration	K 19
Chengdu Exports Light Fighter Aircraft	K 19
Shanghai Plans Land Reclamation From Coast	K 20
Ports Fulfill 1984 Cargo Handling Quota	K 20
Beijing-Taiyuan Heavy Duty Postal Route Opens	K 20
RENMIN RIBAO Carries HONGQI Table of Contents [1 Dec]	K 21

PRC REGIONAL AFFAIRS

EAST REGION

Work in Xiamen Prepares for Foreign Investment	O 1
Buddhist Studies School Opens Nanjing Branch	O 1
Chen Guodong Inspects Schools in Shanghai	O 2
Shanghai's Wang Daohan Outlines Reform Tasks	O 2
Shanghai's Hu Lijiao at Literary Reform Forum	O 3
Calls for Literary Reforms	O 3

CENTRAL-SOUTH REGION

Ren Urges Use of Standard Chinese in Guangdong [NANFANG RIBAO 2 Dec]	P 1
Guangdong People's Congress on Reform Decision	P 2
Guangxi To Delegate Cadre Administration Powers	P 2
GUANGXI RIBAO on Cadre Administration Problems [30 Nov]	P 3
Hunan Urgent Circular on Business Malpractices	P 4

NORTHEAST REGION

Second Heilongjiang Group Begins Rectification	S 1
Harbin City Establishes State Security Bureau	S 1
Jilin People's Congress Committee Meeting Ends	S 1

NORTHWEST REGION

Gansu Meets on Party Reregistration Tasks	T 1
Li Xuezhi at Ningxia Advisory Committee Meeting [NINGXIA RIBAO 17 Nov]	T 2
Bai Jinian on Improving Shaanxi Party Style	T 3

TAIWAN

U.S. Economic Delegation Visiting Taiwan	V 1
Premier Optimistic on Relations	V 1
Senator Comments	V 1
Mainland Playing 'Deceitful Game' With U.S., USSR [CHINA POST 27 Nov]	V 2

HONG KONG MEDIA ON CHINA

TA KUNG PAO Comments on Kim Il-song Beijing Trip [1 Dec]	W 1
CHENG MING Views Recent Events in Zhongnanhai [No 86, 1 Dec]	W 2
Foreign Companies To Attend PRC Aviation Expo [SOUTH CHINA MORNING POST 1 Dec]	W 7
Assessment Office Issues Report on PRC-UK Accord	W 8

CPC LIAISON DEPARTMENT'S FIRST PRESS CONFERENCE

OW301230 Beijing XINHUA in English 1210 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- A spokesman of the International Liaison Department of the Chinese Communist Party Central Committee said here today that during his recent visit to China, Korean leader Kim Il-song and Chinese leaders discussed a number of international issues including "the situation in the Korean peninsula."

At the first press conference ever held by the Liaison Department, spokesman Wu Xingtang told some 100 Chinese and foreign reporters that the leaders of the two countries also discussed the shooting incident at Panmunjom on November 23, although it was not a main subject under discussion. "The two sides expressed the hope that the tensions in the Korean peninsula will be relieved," Wu Xingtang said in response to reporters' question questions.

He announced that Qian Liren, head of the International Liaison Department, would visit Greece from December 2 to 11 as guest of the Pan-Hellenic Socialist Movement. After that, he would go on to Spain to attend the 30th National Congress of the Spanish Socialist Workers' Party in the capacity of representative of the Chinese Communist Party December 13-16. On his way to and from Greece and Spain, Qian Liren would stop over at Rome and Paris where he would meet leaders of the Italian Communist Party, the French Communist Party and the Socialist Party of France.

Wu told the reporters: "At present, the Communist Party of China maintains friendly relations in different forms with more than 150 foreign parties, including communist parties, socialist, social democratic and labour parties as well as friendly parties in African, Latin American and Asian countries. In our contacts with those parties, the Communist Party of China strictly adheres to the principles of independence, complete equality, mutual respect and non-interference in each other's internal affairs."

Wu also told the reporters that from now on, the International Liaison Department would give press briefings from time to time.

[Beijing XINHUA Domestic Service in Chinese at 1627 GMT on 30 November in a similar item adds: "A reporter asked: Why was President Kim Il-song's visit to China unofficial? Wu Xingtang said: The two parties and the two countries of China and Korea maintain close relations. The leaders of the two parties and the two countries have frequently exchanged visits. Their forms are varied."]

ZHAO ZIYANG CONGRATULATES CHINESE JUDGE

OW301539 Beijing XINHUA in English 1440 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Professor Ni Zhengyu, the first Chinese judge elected to the International Court of Justice, received warm congratulations from Premier Zhao Ziyang, government leaders and his colleagues here this afternoon. In a reception held at the International Club, Huan Xiang, president of the Chinese International Law Society, read a congratulatory letter from the premier. In his letter, Zhao said Ni would surely prove equal to his job.

"As a representative of China and the Chinese legal system, I deeply believe that you, with the other judges of the International Court of Justice will make outstanding contributions to upholding international justice, seeking peaceful settlements to international disputes and safeguarding international laws in line with the United Nations Charter and the principles of international law," he said.

The 78-year-old justice now serves as legal advisor to the Foreign Ministry and is a member of the U.N. International Law Commission.

Foreign Minister Wu Xueqian also congratulated Ni on behalf of his ministry. His election demonstrated that China's greater participation in international legal affairs, and every Chinese would be proud of him, Wu said.

"I'll work hard to repay the kindness and support of the people at home and abroad," Ni told the reception, which was attended by more than 200 people. He will leave for The Hague to take up his post in February.

U.S.-USSR NUCLEAR NONPROLIFERATION ROUND ENDS

OW010358 Beijing XINHUA in English 0259 GMT 1 Dec 84

[Text] Moscow, November 30 (XINHUA) -- Soviet and U.S. delegations exchanged views here in the last three days "on a wide range of problems related to preventing the emergence of new states possessing nuclear weapons." This was announced this afternoon at a news briefing by Vladimir Lomeyko, head of the Soviet Foreign Ministry Press Department. It came at the end of the fourth round of Soviet-U.S. consultations on nuclear non-proliferation.

During the consultations, the two sides agreed to continue the talks "on questions regarding the enhancement of the international nuclear weapons non-proliferation regime," Lomeyko said. A senior U.S. official confirmed at a separate briefing that "the talks will be regularized semi-annually, probably alternating capitals every six months."

The heads of the two delegations taking part in the consultations were Andronik Petrosyants, chairman of the USSR State Committee for the Utilization of Atomic Energy, and Richard Kennedy, a roving U.S. ambassador in charge of nuclear affairs.

The Soviet Union regards nuclear non-proliferation as highly significant, Lomeyko said. He stressed the importance of "increasing the efficiency" of the International Atomic Energy Agency (IAEA) in its control over the countries close to possessing nuclear weapon, particularly those that have not signed the Nuclear-Non-Proliferation Treaty.

SOVIET-U.S. RELATIONS IN REAGAN 2D TERM VIEWED

OW301915 Beijing Domestic Service in Mandarin 1150 GMT 28 Nov 84

["International Current Events" commentary by XINHUA reporter (Mei Zhenming): "The Soviet-American Relations After the U.S. General Election"]

[Text] During President Reagan's first term of office, relations between the United States and the Soviet Union dropped to their lowest point since the 1962 Cuban missile crisis. Now that Reagan has been reelected President, how will Soviet-American relations develop during his second term of office? This question concerns the present international society.

After the U.S. general election, both the Soviet and the American sides have sent out signals expressing hopes to improve their relations. Reagan has repeatedly stated that during his second term of office, he will give priority to the deliberation of U.S.-Soviet relations as far as foreign affairs are concerned, and that he is willing to hold top-level talks with the Soviet leader. He also held that the possibility for such talks is much greater than that during his first term of office.

During his first interview with reporters after his 7 November reelection, he said he would spare no time to carry out nuclear disarmament talks with the Soviet Union. In his congratulatory message to Soviet leader Chernenko on Soviet National Day, Reagan stated that the United States plans to carry out constructive talks with the Soviet Union on a series of issues, including arms control. In his message of thanks to the Presidium of the Supreme Soviet on 14 November, Reagan expressed the hope that marked achievements can be made in the relationship between the United States and the Soviet Union in the next few years.

On the Soviet side, the Presidium of the Supreme Soviet sent a message of congratulations to Reagan the second day after his reelection, expressing the hope that the U.S.-Soviet relationship will turn for the better, and the willingness to make joint efforts to improve the relationship between the two countries. On 7 November TASS issued a commentary stating that the problems between the United States and the Soviet Union are numerous and complex, but that they will be fully capable of solving the problems based on the principle of equal and same security if only they take a positive and constructive attitude. In a preface he wrote to a U.S. publishing house on 11 November for publication of his speeches, Chernenko stated that the Soviet Union advocates maintaining equality and the best possible relationship with the United States and hopes to reach agreements with the United States on a wide variety of issues.

On 14 November TASS purposely issued an article carried in a Soviet journal, entitled "The Soviet Union and the United States During World War II," and emphatically pointed out: Wartime experiences proved that when their interests coincided and when they were under a common threat, cooperation between the two countries with different social systems -- the Soviet Union and the United States -- became possible and practicable. Currently, there are plenty of coinciding interests between the Soviet Union and the United States, and they are under a common threat, namely, the danger of nuclear catastrophe as faced by the entire world. The Soviet Union has always been willing to carry out honest dialogues, conscientious talks, and industrial cooperation with consideration of mutual interests.

Of course, the Soviet Union has often denounced the United States in its statements and repeatedly demanded that the United States show practical actions. However, in contrast to its indifferent attitude in the past, it has already relaxed considerably. After carrying out these public and private activities, Moscow and Washington announced simultaneously on 22 November that they have agreed to hold new talks to reach a mutually acceptable agreement on issues involving all nuclear and space arms. For the purpose of bringing about a common understanding of the subjects and aim of the talks, Soviet Foreign Minister Gromyko and U.S. Secretary of State Shultz will hold meetings in Geneva 7-8 January of next year.

All of these indications show that the rigid, cold U.S.-Soviet relationship is beginning to relax, for many reasons. The facts are: The struggles of the people in West Europe and North America against the superpowers and the arms race have expanded further. Some peace movements free from government control have also emerged in East Europe. Besides, the voices of the allies of the Soviet Union and the United States calling for dialogue instead of confrontation, and detente instead of tension, are growing louder and louder with each passing day, vigorously urging the Soviet Union and the United States to improve their relationship. Since the beginning of this year, there has been a further development of direct contacts between East and West Europe, which undoubtedly has had an impact on the rigid, cold relationship between the United States and the Soviet Union. In such a situation, if the U.S. and Soviet Governments obstinately cling to their own courses and maintain their rigid confrontation, they will inevitably expand their conflicts with their respective allies and the people in their own countries.

The subjective factors were: Originally, the Reagan administration planned vigorous armament expansion in the first 3 years of Reagan's first term of office to change the situation of having fallen behind the Soviet Union in comparable military strength and then carry out conscientious arms limitation talks with the Soviet Union using strength to force the Soviet Union to reach some compromise. Reagan has repeatedly flaunted the idea that his policy toward the Soviet Union was based on a foundation of realism, strength, and talks; and that if there is a favorable opportunity, the United States will not give up such an opportunity to carry out talks from a position of strength. As viewed by the Reagan administration, the U.S. military strength has greatly increased through efforts in the first 4 years, creating an unprecedentedly favorable condition for carrying out disarmament talks with the Soviet Union. Therefore, during the entire course of his election campaign, as well as after his reelection, Reagan always employed a high tone about improvement of U.S.-Soviet relations, displaying a considerably positive manner. In turning from attacking the Reagan administration to seeking good relations with it, the Soviet Union also had its own reasons. The long, tense arms race has imposed tremendous pressure on the Soviet Union's economy. At the same time, because of its withdrawal from all nuclear disarmament talks, it has left a certain impression among people internationally. Whether to reduce economic pressure, or to improve its image, the Soviet Union needs to properly readjust its policy to meet the new reality. Furthermore, the Soviet Union has also taken various countermeasures this year, as it has deployed tactical and strategic nuclear weapons in the CSSR and the GDR and long-range cruise missiles on its naval vessels [words indistinct] the adverse effects on its made by the U.S. deployment of medium-range nuclear missile in West Europe. In such a situation, the Soviet Union could not but conscientiously consider dealing with the Reagan administration again.

Both the Soviet Union and the United States considered that relaxation of their relationship presently benefits each other; therefore, they (?held) that there is a need, as well as the possibility, to conduct arms control talks. However, it is difficult to reach a practicable agreement on arms control. Even if the two sides reach a certain agreement, the pattern of U.S.-Soviet contention for hegemony will not change. The arms race between them will continue to heighten, and their contention for [words indistinct] in various parts of the world will not stop either. Carrying out dialogue in a rigid confrontation will be a feature of the U.S.-Soviet relationship for a period of time in the future.

U.S. NAVAL TASK FORCES ENTER SEA OF JAPAN

OWO21154 Beijing XINHUA in English 1037 GMT 2 Dec 84

[Text] Tokyo, December 2 (XINHUA) -- Two U.S. naval task forces led by 81,000-ton nuclear-powered aircraft carrier Carl Vinson and the 62,000-ton attack carrier Midway yesterday entered the Sea of Japan from the Pacific for what is known as the "demonstrative attacking exercises", newspapers here reported today.

Meanwhile, the Soviet Union reportedly dispatched warships and planes to the Sea of Japan to monitor the maneuver.

The U.S. forces took part in the largest post-war U.S.-Japan joint military exercises from mid-October to November 30 in the Indian and Pacific Oceans. They included aircraft carriers Carl Vinson, Enterprise and Midway of the U.S. 7th Fleet, 65 warships, 500 planes and some 34,000 troops.

Japanese military experts noted that the entrance of the two U.S. naval task forces into the Sea of Japan right after the said exercises is of strategic significance. The Carl Vinson is expected to pass through the Tsushima Strait at the southern entrance of the Sea of Japan and move into the East China Sea and then make port at Yokosuka, south of Tokyo, around 10 December.

PRC ATTENDS UN DONORS CONFERENCE ON GAMBIA

OW010812 Beijing XINHUA in English 0713 GMT 1 Dec 84

[Text] Dakar, November 30 (XINHUA) -- A three-day donors conference on Gambia ended today in Banjul, Gambia, with an appeal for more aid to Gambia.

Attending the meeting were some 70 representatives from 16 countries including Britain, the United States, France, Japan and China and from 25 international organizations including U.N. bodies, the World Bank, various funds and the European Community.

Gambian Vice President Bakary Darbo told the opening session on Wednesday that the conference would provide an opportunity for donors and Gambia to have "open and frank" dialogues on Gambia's ailing economy and plans for economic development.

Gambian Minister of Economic Planning and Industrial Development Muhamadu S.K. Mane appealed to the international community for more aid to help Gambia tide over its difficulties.

Director for African region of the United Nations Development Program (UNDP) Damiba made a report to the conference on the drought and famine prevailing in Africa as well as Gambia's financial straits. He expressed the hope that the international community would make a positive response to Gambia's call.

Head of the Chinese delegation Liang Feng stressed that China, as a Third World Country, would strive to further develop the existing relations of cooperation between China and Gambia.

The conference, sponsored by the U.N. Conference on the Least Developed Countries in Paris in 1981, was aimed at implementing the new U.N. substantial program of action.

OVERSEAS BANKS IN SHANGHAI TO EXPAND SERVICES

OW301735 Beijing XINHUA in English 1613 GMT 30 Nov 84

[Text] Shanghai, November 30 (XINHUA) -- Four Overseas Chinese and foreign banks in Shanghai will expand their foreign currency deposit, deposits, loan and remittance from tomorrow. They are the Dongya (East Asia), Overseas Chinese, Standard Chartered (Macaulay) and Hong Kong and Shanghai Banks.

Their Shanghai offices will directly handle foreign currency deposits from Overseas Chinese and foreign enterprises and Sino-foreign joint ventures. They will also grant foreign currency loans and handle inward and outward remittances. With approval, they will be able to issue foreign currency loans to Chinese businesses or departments.

Previously, the banks could only cover import and export account settlements, inward remittances and some agency deals.

DENG LIQUN ATTENDS BOOK COMPANY ANNIVERSARY

OW011440 Beijing XINHUA in English 1314 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- China International Book Trading Corporation [CIBTC] gave a reception here today to mark its 35th anniversary. Among the 500 attended were Deng Liqun, member of the Secretariat of the Chinese Communist Party Central Committee; Hu Yuzhi, vice-chairman of the Standing Committee of the National People's Congress; Zhou Peiyuan, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference.

Zhu Muzhi, minister of culture, gave a speech to encourage the CIBTC to make greater contributions to the promotion of international cultural exchange and the furthering of friendship and understanding between the peoples of China and the world.

The China International Book Trading Corporation, formerly the Guoji Shudian (China Publications Center), was founded in Beijing on December 1, 1949. Over the past 30 years, it has distributed worldwide books and magazines in over 30 languages and hundreds of millions of copies including Chinese classics, such as "A Dream of Red Mansions," modern Chinese literary books, Marxist and children's readers. Its distribution has increased from 40-odd countries and regions in 1950 to over 180 today.

Apart from maintaining regular trade relations with thousands of booksellers the world over, it serves directly a vast army of individual readers and subscribers. The reception was also attended by 50 publishers from 15 countries and Hong Kong.

PRC ANTARCTIC EXPEDITION CROSSES EQUATOR

OW010810 Beijing XINHUA in English 0717 GMT 1 Dec 84

[Text] S.S. Xiangyanghong 10, December 1 (XINHUA) -- The Chinese scientific expedition team to the Antarctic sailed into the Southern Hemisphere this morning after crossing the equator at 9:12 a.m. (local time) in the sea area east of the Republic of Navru. Members and crew of the expedition got together on the two vessels, Xiangyanghong 10 and J121 rescue ship, to celebrate the cross-over.

PRC BEATS TAIPEI BASKETBALL TEAM IN MALAYSIA

OW300815 Beijing XINHUA in English 0649 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- China's "August First" men's basketball team beat the Chinese Taipei team 98-70 Thursday evening in the second round of the Second World Inter-Club Basketball Championships Asian Qualification Tournament at Ipoh, in Perak State, northern Malaysia. A report from the city said that the Chinese Taipei players ran up a 30-25 lead in the first 13 minutes. But the "August First" side steadily gained the momentum and dominated the game after leaving the floor with a narrow half-time lead, 47-45. The Chinese Army's 2.28-meter center Mu Tiezhu led all scorers with 27 points. With 20 pts, Taipei's Li Chi-yu was second. Three Taipei players were fouled out during the game.

In other second-round games yesterday, Malaysia beat Hong Kong 102-67 and the Philippines defeated Bahrain 94-66. With preliminary results taken into the second round, the Philippines and Malaysia each has two wins, while the Chinese Army team has one win and one loss. In a classification game yesterday, Qatar won its first victory in the tournament, beating Kuwait 86-64. The preliminary rounds ended Tuesday, with the top two teams from each of the three groups qualified for the round-robin second round. The champion will be decided on December 3 in a replay between the first two teams from the second round. The winning team will represent Asia in the second world Inter-Club Basketball Championships next June in Spain.

OPIC CHIEF, U.S. EXECUTIVES VISIT BEIJING

Discuss Investment in PRC

OW301742 Beijing XINHUA in English 1451 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Craig A. Nalen, president of the Overseas Private Investment Corporation (OPIC) of the United States, said here today that he was optimistic about the future prospects for U.S. businessmen to invest in China. Nalen is co-chairman of a special investment mission of 14 American executives who are in Beijing to study investment opportunities.

He told a press conference here this evening that the mission had great expectations that they would be able to announce progress on a number of Sino-U.S. joint ventures by the end of their current visit.

OPIC is a U.S. Government agency that offers political risk insurance and financial services to encourage American private investment overseas.

A three-year program designed to facilitate joint ventures between Chinese and U.S. businesses was announced at the press conference by OPIC and the National Council for U.S.-China Trade.

Nalen and Ms. Jeanne Chiang, assistant director of the National Council's Business Advisory Services, signed an agreement to jointly fund the 374,000 U.S. dollar project. Nalen said the program will establish a permanent, self-sustaining investment advisory division of the National Council committed to aiding China's development goals by matching its investment opportunities with appropriate U.S. firms. He said: "In recent years, China has taken important steps to welcome foreign technology and investment as part of its economic modernization efforts." With this grant, he added, OPIC was demonstrating its long-term interest in encouraging U.S. business to respond to China's continued commitment to opening its economy.

Meet Yao Yilin

OW301604 Beijing XINHUA in English 1459 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Chinese Vice-Premier Yao Yilin met a delegation from the Overseas Private Investment Corporation (OPIC) of the United States here today.

The mission is led by Craig Nalen, president of OPIC, and Alexander Trowbridge, president of the National Association of Manufacturers.

Yao told the delegation that Sino-U.S. economic cooperation had had a good beginning. He described the scope of possible investment in China as "broad," saying that he hoped the U.S. would quickly step up its involvement.

A U.S. Government agency that provides political risk insurance and financial services to encourage American private investment in developing countries, OPIC invested four billion U.S. dollars in the Third World last year.

The delegation, composed of representatives from 17 major U.S. corporations, will discuss with Chinese authorities the implementation of nearly 70 Sino-U.S. investment projects already agreed upon.

ZHANG JINGFU MEETS U.S. POLAROID CHAIRMAN

OW301356 Beijing XINHUA in English 1157 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- State Councillor Zhang Jingfu and William McCune, chairman of the board of Polaroid Corporation, discussed here today possible cooperation between China and the American firm.

During their meeting here this afternoon, Zhang said that the Chinese market needed very much the instant cameras and photographic materials produced by Polaroid.

Since part of the Chinese people had become rich already, the state councillor said, there was a great demand for consumer goods. He wished the coming discussion between Polaroid and the Shanghai camera factory for cooperation successful. [sentence as received]

Zhang said that cooperation should be beneficial to both sides. China would give Polaroid preferential treatment in sharing the Chinese market for the technology it transferred.

McCune said Polaroid hoped to establish fruitful relations with China. It had no worries about China's attitude towards Western companies. He also offered to help train managerial and technical personnel for the Chinese side.

FUJIAN GOVERNOR, DELEGATION VISIT SAN FRANCISCO

OW010417 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 29 Nov 84

[Text] According to a dispatch from San Francisco by a reporter of this station, the Fujian Provincial People's Government delegation, headed by Governor Hu Ping, arrived there on the morning of 28 November, local time, on its way to Oregon.

Mayor of San Francisco Dianne Feinstein, who just returned from a visit to China, immediately met with Governor Hu Ping at her office in the City Hall. After exchanging greetings, Mayor Feinstein said jokingly to Governor Hu Ping: You have come all the way from China. I don't know whether China has a good medicine for treating jet lag.

Governor Hu Ping replied I think there is such a good drug, which is friendship. Friendship can eliminate all kinds of fatigue.

Both sides indicated that contacts and cooperation in the economic, technical, scientific, and cultural fields should be strengthened.

On learning of the arrival of Governor Hu Ping and his party, Overseas Chinese in San Francisco that afternoon came to the hotel where the Fujian Government delegation was staying to meet with their kinsfolk from Fujian. The governor briefed the visitors on Fujian's reform situation and its policy of opening to the outside world, and answered questions raised by reporters from local Chinese newspapers.

In the evening, the Association of Fujian Provincials in the Western United States and the Association of Overseas Fujian Provincials hosted a reception at the Palace Restaurant in Chinatown honoring Governor Hu Ping and his party. The associations also presented the delegation a banner with these words: Accomplish the four modernizations, build a stronger China.

U.S. POLICE LOCATE HENRY LIU MURDERERS

OW011955 Beijing XINHUA in English 1941 GMT 1 Dec 84

[Text] Washington, November 30 (XINHUA) -- A police officer of Daly City of California indicated yesterday that the police authorities have found out how the Chinese-American writer Henry Liu was murdered and the whereabouts of the assassins.

The Daly police arrested a suspect called David Yu on November 27 but he was released yesterday afternoon by the judicial authorities of San Mateo County on account of "inadequate evidence".

Lieutenant Tom Reese of the Daly City Police Department said he felt "very depressed" about the development. But he said the police knew what had happened, how the suspects had done it and where they had gone. However, he declared, the police had not got enough conclusive evidence.

The murder of Henry Liu was committed by the "Bamboo Gang," an underworld organization in Taiwan, Reese said. David Yu and three other "Bamboo Gang" members arrived in San Francisco on October 10 from southern California by a car Yu rented. They returned to Taiwan on October 15, the very day after Liu was gunned down.

Initial results of the investigation into the Liu case were released yesterday at a Daly press conference called by police and a special FBI work team from San Francisco. After that Lin Chih Wang, professor of the California University at Berkeley and spokesman of the "Committee of the Jiang Nan (Henry Liu) Incident", declared to the press that the American people should be informed of why a Taiwan underworld gang had come and slaughtered an innocent writer in the United States, keeping in mind the fact that the writer with a clear conscience had unmasked the corruption and darkness in Taiwan's politics.

While awaiting the detailed results of the investigation, Wang said, continuous efforts must be made to urge the U.S. federal Justice Department to intervene as early as possible. The Reagan administration should ask the Taiwan authorities for cooperation in the investigation because the murder undoubtedly has everything to do with Taiwan, he added.

Professor Xie Shanyuan, another spokesman of the committee, said that it has been clear that the suspects are in Taiwan. He expressed his hope that the Taiwan authorities follow international practice and extradite the suspects to the United States as early as possible for investigations by U.S. judicial organs. There obviously exists a well-organized organization behind the scenes, he said, adding that the U.S. judicial departments should further trace the principal criminal and bring to light the motives behind the murder.

Suspect Set Free

OW301748 Beijing XINHUA in English 1616 GMT 30 Nov 84

[Text] Washington, November 29 (XINHUA) -- A Chinese suspected for involving in the slaying of Chinese-American writer Henry Liu was arrested on November 27 but was set free later for inadequate evidence, according to reports reaching here from San Francisco.

In a joint statement issued at a press conference in Daly City today, the city's police chief, Richard C. Sims, and FBI agent in charge of San Francisco Robert S. Cast II said that the suspect was called David Yu, 28, who allegedly drove the murderers to the site where Liu was shot dead and picked them up afterwards. Three other suspects had fled to Taiwan after the killing, they said. They are residents of Taiwan and one of them, Chen Chi-li, was ringleader of the "Bamboo Gang" there.

Robert Cast said that the "Bamboo Gang" had set up several chapters in American cities. They also said that police authorities of Daly were applying for an arrest warrant in order to get them returned to the United States.

Henry Liu's widow Helen Liu said in an interview with San Francisco journal that she hoped the U.S. Government could discover the truth behind her husband's murder. The Liu family had no connection whatsoever with the "Bamboo Gang" or any other underworld organizations, she said, and hidden instigators of the "Bamboo Gang" must be exposed.

Reliable press sources in San Francisco disclosed later today that David Yu was released this afternoon because local prosecutor held evidence against him was inadequate.

REAGAN CHARGES USSR SHIPS MIGS TO NICARAGUA

OW290801 Beijing XINHUA in English 0631 GMT 29 Nov 84

[Text] Washington, November 28 (XINHUA) -- U.S. President Ronald Reagan said in an interview published today that the United States could not accept the introduction of Soviet MIG planes into Central America. Reagan told THE WASHINGTON TIMES newspaper, "there are six more Russian ships...that are on their way to Nicaragua now with more arms."

He said he did not know if these ships contain MIG-21 aircraft. However, he said, "we do know that in several of the ports where those ships have touched down, there has been evidence of those aircraft and crates that could contain them." "That would be just the crowning thing to have those high-performance planes representing a threat to the area and the hemisphere," he stressed. "We have made it plain that we're not going to sit by quietly and accept it," he noted.

White House spokesman Larry Speakes said today that the Soviet shipment was "an effort on the part of Nicaragua to intimidate their Central American neighbors to undermine the Contadora process." He charged the Soviet Union and Nicaragua with trying "to build up Nicaragua's military far in excess of the need."

This is the second time in a month that the U.S. charged that Soviet MIG aircraft were being sent to Nicaragua. Early this month, the U.S. charged that a Soviet ship docked at a Nicaraguan harbor contained Soviet MIGs and threatened to use force to prevent such shipment. It was determined later that there were no MIGs on the ship.

U.S., USSR TO RESUME AGRICULTURAL EXCHANGES

OW021928 Beijing XINHUA in English 1903 GMT 2 Dec 84

[Text] Washington, December 2 (XINHUA) -- The United States and the Soviet Union have announced the resumption of scientific and technological exchanges on agriculture for the first time in five years, according to reports from Illinois.

U.S. Agriculture Secretary John R. Block and Soviet Agriculture Minister Valentin Karpovich Mesyats announced the agreement yesterday afternoon on Block's 3500-acre Knoxville farm, 150 miles west of Chicago.

Block said, the Reagan administration is seeking a thaw in U.S.-Soviet relations, and this agreement "is part of overall improving, strengthening relations."

The renewed scientific and technological exchanges will enable the United States to resume collection in the Soviet Union of wild plant, genetic material to be used in plant breeding. America will also gain access to economic information, said Weyland Eeghly, U.S. agricultural attache in Moscow. Weyland added, the Soviets are interested in "almost all of our technology."

The U.S.-Soviet agricultural exchanges, initiated in 1973, ended in January 1980 after U.S. President Jimmy Carter placed an embargo on U.S. grain shipments to the Soviet Union in response to the Soviet invasion of Afghanistan.

Diplomatic observers here see Mesyats's visit to the United States and the agreement announced yesterday as a prelude to next month's meeting between Soviet Foreign Minister Andrey A. Gromyko and U.S. Secretary of State George P. Shultz in Geneva.

PRO-DEFENSE GROUP SAYS U.S. BUILDUP NOT ENOUGH

OW011912 Beijing XINHUA in English 1858 GMT 1 Dec 84

[Text] Washington, December 1 (XINHUA) -- The Reagan administration's defense buildup, especially its nuclear missile program, has been sharply criticized for not being enough by the Committee on the Present Danger, a pro-defense group.

Although defense expenditures have "increased marginally," the committee said yesterday in a report, "the gap between U.S. and Soviet military capabilities continues to grow."

"To date, the lack of a priority program to restore survivability to the U.S. strategic forces is the most striking deficiency," the report said.

The original board of directors of the Committee on the Present Danger included Ronald Reagan and more than a dozen other top U.S. officials in his administration, such as Paul Nitze, and Richard N. Perle.

The committee's report also attacked the U.S. Joint Chiefs of Staff for saying that U.S. strategic nuclear forces "would remain effective even if the Soviets were to attack." That conclusion, the report said, "is questionable."

The report disagreed with the Reagan administration's analysis of the growth of Soviet forces. "In the view of our committee, the U.S. strategic force posture vis-a-vis the Soviet Union has deteriorated sharply, and is considerably worse than official estimates."

William R. Van Cleave, a board member of the committee and a professor at the University of California, said that the Reagan military spending plan was "following the outlays projected to Jimmy Carter" and "was not doing enough to rescue us from serious dangers" posed by the Soviet military buildup. When asked about Reagan's recent statement that the United States can "negotiate from strength" with the Soviet Union, Van Cleave said the United States "obviously did not have enough" strength.

REAGAN, KOHL CONFER, ISSUE JOINT STATEMENT

CW010747 Beijing XINHUA in-English 0658 GMT 1 Dec 84

["Reagan, Kohl Look Into East-West Relations (by Chen Si)" -- XINHUA headline]

[Text] Washington, November 30 (XINHUA) -- U.S. President Ronald Reagan and visiting Federal Germany Chancellor Helmut Kohl reiterated here today their intention to maintain the "necessary military strength", and to improve "conventional defense posture" of their countries in particular, and at the same time to work with the Soviet Union for a "sound and verifiable" nuclear arms control agreement.

Kohl's visit is the first of a series of consultations between the United States and its allies before Shultz travels to Geneva in January for talks with Gromyko. British Prime Minister Margaret Thatcher will come on Dec. 22 and Japanese Prime Minister Yasuhiro Nakasone on Jan 2.

Kohl conferred with Reagan in the White House today in the presence of U.S. Secretary of State George Shultz, Secretary of Defense Caspar Weinberger, and Federal Germany Foreign Minister Hans-Dietrich Genscher. They discussed East-West relations, the Shultz-Gromyko Geneva talks, stronger deterrence and cooperation within the NATO, and other international and bilateral issues, according to U.S. officials.

A joint statement after the meeting reaffirms the importance of "ensuring the maintenance of necessary military strength and transAtlantic political solidarity while pursuing a productive relationship between the countries of East and West through dialogue, cooperation and negotiation." It says, "the expansion and modernization of Soviet and Warsaw Pact nuclear and conventional forces has intensified the need to strengthen the alliance's force posture.

"The President and the Chancellor, therefore, agreed on the need for a coherent alliance approach to enhancing NATO's conventional capabilities, and are prepared to participate in alliance efforts to make the necessary resources available." It added, this would help ensure that NATO's deterrence is strengthened, and that "the nuclear threshold is raised."

Referring to the agreed meeting between Shultz and Gromyko in January, Reagan and Kohl "express their conviction that prompt and meaningful progress is possible." But they stated that the deployment of the cruise and Pershing missiles would go forward "in the absence of concrete results" in the negotiations.

The joint statement points up "the importance of close consultations among the allies on arms control matters and reiterate their resolve to continue to contribute actively to this process of consultation."

Kohl's pleasure to see the reopening of U.S.-Soviet dialogue, is, however, mixed with certain anxiety lest the superpowers tend to settle European affairs over the heads of the European. Senior Federal German officials said in Bonn yesterday that Kohl planned to urge Reagan to establish formal consultative channels with European allies during future arms control talks with the Soviet Union, so that European countries can rest assured that their interests are being given full consideration in all U.S.-Soviet negotiations.

Kohl brought up the U.S. ban on imports of steel with Reagan and Vice-President George Bush separately, according to a senior U.S. official. It is believed that Kohl feels compelled to impress the Americans with the dangers of a potential trade war as a result of the sudden U.S. ban on imports of steel pipes and tubes from the 10 members of the European Community. The community's Executive Commission in Brussels is contemplating retaliatory action against U.S. products.

SLOW GROWTH SEEN FOR U.S. ECONOMY IN 1985

OW010825 Beijing XINHUA in English 0741 GMT 1 Dec 84

["News Analysis: U.S. Economy in 1985: A Year of Slow Growth (by Chen Hegao)" — XINHUA headline]

[Text] Beijing, December 1 (XINHUA) — A recent slowdown in the U.S. economy has caused widespread speculation about U.S. economic prospects, but most Western analysts say the economy will grow at a slow pace in 1985 and that a recession is unlikely.

Two years ago, after climbing out of America's worst postwar recession, the economy performed at a surprisingly robust annual rate of 10.1 percent in the first quarter of this year, and 7.1 percent in the second. However, the growth rate was unexpectedly low in the third quarter, with only a 1.9 percent rate.

According to government figures, the productivity of U.S. businesses and industries dropped 0.7 percent in annual terms over the third quarter, its first decline in two years. But in the second quarter productivity rose 5.5 percent. Corporate after-tax profits, however, fell by almost 7.3 percent in the third quarter, compared with the previous three months.

Housing starts in October dropped 9.8 percent from September and orders for durable goods slumped 4.1 percent last month, the sharpest monthly drop since April.

Because the economic expansion was too slow to push the unemployment rate down, the rate in October was an unchanged 7.4 percent. That means there are still 8.5 million Americans out of work.

With the sharp slowdown, concern over the future is mounting. Some U.S. economists predicted that the economy is sliding into a new recession while others said the country may already be in a "growth recession." This is characterized not by an actual decline in output but by growth so skimpy that the economy cannot absorb increases in labor force, they said.

But most U.S. economists said the current expansion will last at least through 1985, with growth brisker than of late. They said the slowdown in the third quarter might be a normal adjustment from the unsustainable pace of the first two quarters.

With the cut in the discount rate by the Federal Reserve Board on November 21, fears of a 1985 economic recession have abated a bit in recent days. To revive the sluggish economy, the Fed cut the discount rate from 9 percent to 8.5 percent.

The cut reduced bank costs and led to a round of reductions in the rates for business and consumer loans. Major U.S. banks lowered their prime rates from 11.75 percent to 11.25 percent.

The discount-rate cut also bolstered the optimism of some economists, who see the move as a spur to interest-sensitive industries such as housing.

The view that the economy would continue to expand was perpetuated in part by the improved finances of most consumers. Inflation this year is running at 4.2 percent, slightly better than the 5 percent rise predicted for the year. Official figures showed that personal income rose 8.4 percent annually in the third quarter. The upshot was a substantial increase in recent months in the after-tax income being saved. The economists cited the improvement as a major reason why there is plenty of life in the recovery.

Another encouraging factor is a sharp decline in inventories. According to a survey by the national association of purchasing management, about 30 percent of the nation's corporate buying agents reported lowered stocks in October, while only 15 percent said that their inventories rose. Despite the recent economic slowdown, the inventory-to-sales ratio in manufacturing remains near the lowest levels since the 1960s.

Besides, the strength of investment is impressive. Thanks to special tax breaks, companies were investing at an annual rate of 431 billion dollars in the third quarter, a rise of 8 percent in real terms. There is little evidence thus far that firms are putting off plans for modernization and expansion.

Nonetheless, there still exist threats to a lasting economic expansion. The federal deficit, which was 170 billion dollars in fiscal 1984, is a big cloud over the economy.

U.S. Government officials said that without some action by Congress, the deficit will be some 200 billion dollars in the current fiscal year.

Many U.S. experts said that if the administration fails to control the huge deficit, the interest rates would bounce back.

In addition to the federal deficit, economists are alarmed by the trade deficit, which is expected to reach 130 billion dollars this year, about double the record set in 1983. This deficit, reflecting the soaring international value of the dollar, means that imports are being substituted for a lot of domestic goods, a process that tends to slow the economy.

With these unfavorable factors taken into account, however, many U.S. economists forecast that growth is expected to continue in the U.S. next year at 3 percent to 4 percent.

SHANGHAI ART EXHIBIT CONCLUDES U.S. TOUR

OW301358 Beijing XINHUA in English 1220 GMT 30 Nov 84

[Text] Washington, November 30 (XINHUA) -- A "6,000-year China art exhibition" closed here today after a successful tour of four major U.S. cities. Attendance at the exhibition, the first large-scale comprehensive art show held in the country by China since the establishment of diplomatic relations, totalled nearly one million. Sponsored by the Shanghai Museum of China, the exhibition opened in San Francisco on the west coast last year on May 3. It then toured Chicago and Houston, and concluded at Washington's Natural History Museum. The show contained 232 pieces of bronzeware, chinaware, lacequerware, ivory carving, wood-cut, painting and photographs. The display represented the 6,000-year evolution of Chinese art forms. An American friend told the staff of the exhibition, "you are the real envoy of the Chinese people." Many Overseas Chinese, Chinese-American scholars and Taiwan compatriots residing in the United States attended the exhibition.

TRADE, PAYMENT AGREEMENT SIGNED IN MOSCOW

OW011246 Beijing XINHUA in English 1213 GMT 1 Dec 84

[Text] Moscow, November 30 (XINHUA) -- China and the Soviet Union today agreed to increase the volume of their trade to 3.6 billion Swiss francs in 1985, an increase of 35.7 percent over this year. An agreement on goods exchange and payments between the two countries was signed here this afternoon by Chen Jie, representative of the minister of foreign economic relations and trade, and Ivan Grishin, deputy minister of foreign trade of the Soviet Union on behalf of their respective governments.

The current annual trade talks started earlier than in the previous years. Results satisfactory to both sides were attained in mutual understanding.

Nikolay Komarov, first vice-minister of foreign trade, met Chen and attended the signing ceremony. Also attending the ceremony were Soviet First Vice-Minister of Foreign Trade G.K. Zhuravlev and Deputy Foreign Minister M.S. Kapitsa and Chinese Ambassador to the Soviet Union Yang Shouzheng.

Chen Jie, head of the Chinese Government trade delegation arrived here today.

SOVIET FRIENDSHIP DELEGATION LEAVES FOR HOME

OW011259 Beijing in Russian to the USSR 1800 GMT 30 Nov 84

[Text] On completing its visit to our country, the 15-man special tourist group of the Union of Soviet Societies of Friendship and Cultural Relations With Foreign Countries and the Soviet-Chinese Friendship Society led by Petrauskas, chairman of the Presidium of the Lithuanian Society of Friendship and deputy of the Lithuanian Soviet Socialist Republic Supreme Soviet, left Beijing by air for home on the morning of 30 November.

The special Soviet tourist group was seen off at the airport by Liang Geng, deputy chairman of the Chinese People's Association for Friendship With Foreign Countries; Shi Ziming, deputy chairman of the Chinese-Soviet Friendship Association; and Shcherbakov, Soviet ambassador to China. The special Soviet tourist group arrived in Beijing on 14 November. During its stay in China, the group visited Beijing, Shanghai, Guangzhou, Kunming, and the special economic region of Shenzhen.

DELEGATIONS TO VISIT PRC STUDENTS IN USSR

OW011245 Beijing in Russian to the USSR 1800 GMT 29 Nov 84

[Text] The 6-day conference on work among Chinese students studying abroad closed in Beijing on 29 November. The conference discussed the question of further increase of limitations [as heard] for those studying abroad at their own expense and determining the role of students who studied abroad on their return home. Zhang Jingfu, member of the PRC State Council; Wang Bingnan, chairman of the Chinese People's Association for Friendship With Foreign Countries; and others attended the closing of the conference.

Zhang Jingfu said that at the beginning of 1985 the Chinese Government will send five delegations to the Soviet Union and 20 other countries in order to visit the Chinese students studying abroad. Zhang Jingfu also said: While far from the motherland, our students study very assiduously. They are worthy sons and daughters of our country. The students sent abroad by the state and those studying abroad at their own expense will become specialists who are urgently needed for China's four modernizations.

WANG ZHEN MEETS JAPANESE ECONOMIC DELEGATION

OW301717 Beijing XINHUA in English 1630 GMT 30 Nov 84

[Text] Taiyuan, November 30 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met a delegation from the Japan-China Association on Economy and Trade and the Export-Import Bank of Japan here today.

Present at the meeting were Chinese Minister of Coal Industry Gao Yangwen, President of the Bank of China Jin Deqin and Deputy Governor of Shanxi Province Yan Wuhong.

The meeting was followed by a banquet given by Governor of Shanxi Province Wang Senhao for the Japanese visitors.

The Japanese guests are here for attending the inauguration ceremony of the Xiqu mine, the first of the seven mines China developed with energy loans from Japan.

QIAO SHI MEETS JAPANESE LEGISLATOR, GROUP

OW011422 Beijing XINHUA in English 1313 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- Qiao Shi, alternate member of the Secretariat of the Chinese Communist Party Central Committee met here this afternoon Tadashi Yaoita, member of Japan's House of Councillors, and his party.

Qiao and Yaoita, who is also president of the Japan-China Agricultural and Peasants Exchange Association, talked about agricultural exchanges between the two countries.

PRC OFFICIAL MEETS JAPANESE PETROCHEMICAL GROUP

LD011549 Beijing XINHUA in English 1319 GMT 1 Dec 84

[Text] Beijing, December 1, (XINHUA) -- Chinese State Councillor Kang Shien met a Japanese petro-chemical delegation in the Great Hall of the People here this evening.

Led by Yasunobu Kishimoto, president of both the Japanese Petro-Chemical Association and the Showa Denko Co. Ltd., the delegation is composed of executives of 16 Japanese petro-chemical companies. Kang Shien and Yasunobu Kishimoto exchanged views on petro-chemical undertakings.

After the meeting, Kang Shien and Li Renjun who is advisor to the State Planning Commission and chairman of the Board of Directors of the China Petrochemical Corporation, gave a dinner for the Japanese guests.

PRC, JAPAN AGREE TO EXCHANGE COMPUTER TECHNICIANS

OW220816 Beijing XINHUA in English 0750 GMT 22 Nov 84

[Text] Beijing, November 22 (XINHUA) -- An agreement on exchange of computer technicians between China and Japan was signed between the China Market Publishing Corporation and the Sanko Project Co, Ltd. of Japan here today.

It was learned that China would send the first group of technicians to study computer software development in Japan.

YE FEI LEADS NPC DELEGATION TO BURMA, THAILAND

OW030728 Beijing XINHUA in English 0643 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- A delegation of China's National People's Congress led by Vice-Chairman of its Standing Committee Ye Fei left Beijing this morning to pay a 12-day friendship visit to Burma and Thailand.

Before his departure, Ye Fei told XINHUA in an interview that both Burma and Thailand are China's friendly neighbouring countries, and there exists profound friendship between the Chinese people and the Burmese and Thai people. The purpose of the visit, he said, was to develop the bilateral friendly relations and cooperation on the basis of the Five Principles of Peaceful Coexistence.

Ye expressed the hope that during the visit, they would learn more about the valuable experience of the people of the two countries in developing their national economies. He said he was confident that the visit would contribute to strengthening the contacts and cooperation between the Chinese NPC and the parliaments of the two countries and to the traditional friendship with the two peoples.

Among those seeing the delegation off at the airport were Vice-Chairman of the NPC Standing Committee Peng Chong, Deputy Secretary-General of the NPC Standing Committee Yan Mingfu, as well as Burmese Ambassador to China U Hla Shwe and Thai Ambassador to China Orachun Tanaphong.

PRC RAILWAY MINISTER HOLDS TALKS IN BURMA

OW301915 Beijing XINHUA in English 1832 GMT 30 Nov 84

[Text] Rangoon, November 30 (XINHUA) -- Chinese Railway Minister Chen Puru and Burmese Construction Minister U Hla Tun praised here today the cooperation between the two countries in building a bridge linking Rangoon and Syriam across the Rangoon River. They made the remarks in a banquet given by U Hla Tun in honor of Chen Puru and his party who arrived here yesterday.

The Rangoon-Syriam railway and highway combined bridge will be built with Chinese aid under an economic and technical agreement signed in 1979 and an economic and technical note signed later by the two governments. The initial design scheme of the bridge is completed. The designing for the construction and other preparatory work are underway. Chen Puru visited the construction site today.

U Hla Tun expressed thanks for China's assistance to the developments of Burmese economy and technology. The Rangoon-Syriam bridge will emerge as a landmark of Sino-Burmese paukphaw (kith and kin) friendship.

Chen Puru said that China will practise the policy of opening to the outside world and strengthen cooperation and contacts with other countries on the basis of equality and mutual benefit. He expressed the hope that cooperation and exchanges between railway departments of the two countries will be continuous.

The Chinese minister called on Burmese Acting Prime Minister U Tun Tin and Transport and Communication Minister U Saw Pru here today.

GUANGXI RADIO BEGINS BROADCASTS TO VIETNAM

HK020233 Nanning Guangxi Regional Service in Mandarin 1130 GMT 1 Dec 84

[Text] Guangxi radio station's broadcasts to Vietnam formally began at 1800 Beijing time [1000 GMT] today. In its opening statement, the station announced that its broadcasts to Vietnam are aimed at serving the Vietnamese masses, broadcasting news to them, and telling them about current conditions, to promote their understanding of China and spur friendship between the Chinese and Vietnamese peoples. Leading comrades of the party, government, and Army in Guangxi Wei Chunshu, Huang Yun, Hou Depeng, Huang Rong, and Bi Kezhou, responsible persons of regional CPPCC (Qin Ci) and (Yang Hangyang), and responsible persons of departments, commissions, offices and bureaus and of media units attended the opening ceremony of these broadcasts. Comrade Huang Yun warmly congratulated the radio station, on behalf of the regional CPC Committee and government, on the formal launching of these broadcasts. He expressed the hope that broadcasts to Vietnam would focus on publicizing China by introducing China's achievements in the four modernizations and in building spiritual civilization, and reporting the international impact of China's foreign policies, to enable the Vietnamese people to truly get to know China and to establish in the minds of the Vietnamese people the image of socialist new China. (Ding Mulan), director of the Beijing International Radio Station, read out a letter of congratulations from the Ministry of Radio and Television and made a speech. He expressed the hope that the Guangxi radio station would persistently uphold the banner of peace and friendship and of Ho Chi Minh and make positive contributions in creating a new situation in radio propaganda to Vietnam and expanding the impact of China's broadcasts in Vietnam. The Yunnan Provincial Radio and Television Department and Yunnan People's Broadcasting Station sent brocade banners and letters of congratulation on the opening of the broadcasts to Vietnam.

Comment on Broadcasts

HK020251 Nanning Guangxi Regional Service in Mandarin 1130 GMT 1 Dec 84

[Station short commentary: "Creating a New Situation in Radio Propaganda to Vietnam"]

[Text] In accordance with the instructions of the Central and regional CPC Committees on stepping up radio propaganda to Vietnam, the staff and workers of the Guangxi radio station have displayed the revolutionary spirit of self-reliance and arduous pioneering, completed preparatory and test-broadcasting work, and today formally launched broadcasts to Vietnam. We extend warm congratulations to our fraternal [as heard] Guangxi radio station. Radio propaganda to Vietnam is a task of long-term strategic significance. Since 1978, the Le Duan clique in Vietnam has pursued regional hegemony and continually perpetrated armed provocations on the Sino-Vietnamese border, directly threatening peace and construction in our border regions. There will be no change in this situation in the short term. Hence, stepping up radio propaganda to Vietnam is of all the greater importance. Apart from explaining the historical truth of Sino-Vietnamese relations to the Vietnamese people, exposing the regional hegemonism pursued by the Le Duan clique, eliminating National prejudice among the Vietnamese people, and putting strong political pressure on the Le Duan clique, broadcasts are of extremely important significance for defending China's four modernizations drive, opposing hegemonism, and preserving peace and stability in Southeast Asia.

The 3 months of trial-broadcasts carried out by the Guangxi radio station have effectively proven this point. We believe that following the formal opening of broadcasts to Vietnam by the Guangxi radio station, the station will be able to further sum up experiences, make the broadcasts more suitable, improve the quality of programs, and make positive contributions to creating a new situation in radio propaganda to Vietnam and expanding the impact of China's broadcasts in Vietnam.

PRC AMBASSADOR TO INDIA PRESENTS CREDENTIALS

OW301729 Beijing XINHUA in English 1626 GMT 30 Nov 84

[Text] New Delhi, November 30 (XINHUA) -- New Chinese Ambassador to India Li Lianqing presented his credentials to Indian President Zail Singh here today. Zail Singh recalled the efforts made by late Prime Minister Indira Gandhi to develop the realtions between India and China. "The new government under the premiership of Rajiv Gandhi," he said, "will continue such efforts."

He said: "We have pledged to further strengthen and improve the India-China relations, to continue our dialogue on outstanding issued to achieve a genuine and lasting normalization of relations between our two countries."

"Friendly and close relations between India and China would benefit not only the interests of the two countries but also the cause of peace, progress and development of the whole world," added Zail Singh.

Li Lianqing said, to live together in peace and carry on friendly cooperation is a common desire of the Chinese and Indian peoples and this completely conforms to their fundamental interests. He said: "China has all along been treasuring Sino-Indian friendship and it is the set policy of China to develop good neighborly relations with India." "I believe," he added, "that Sino-India friendly relations will surely develop smoothly on the basis of the Five Principles of Peaceful Coexistence and our two peoples will live together in amity from generation to generation."

The Chinese ambassador laid a wreath on the mausoleum of Mahatma Gandhi here today.

DHAKA RALLY PROTEST USSR AFGHANISTAN AGGRESSION

OW011858 Beijing XINHUA in English 1852 GMT 1 Dec 84

[Text] Dhaka, December 1 (XINHUA) -- Citizens here held a rally yesterday to protest against Soviet aggression in Afghanistan, the local paper THE NEW NATION reported today.

Before the rally, the participants burnt effigies of Soviet leader Konstantin Chernenko and head of the Kabul regime Babrak Karmal in their procession.

At the rally organized by the Bangladesh-Afghan Majaheed Solidarity Council which came into being last year, participants expressed their full support for the Afghan people in their fighting against the Soviet domination, the report said.

Speakers at the rally strongly condemned the Soviet aggression and urged people the world over to lodge protest against the Soviet design of making Afghanistan its colony.

SONG PING, BRITAIN'S ENERGY MINISTER DISCUSS OIL

OW031144 Beijing XINHUA in English 1120 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- Chinese State Councillor Song Ping and British Minister of State of the Department of Energy Alick Buchanan-Smith expressed the hope for further Chinese-British cooperation in energy here today.

In a meeting here this afternoon with Buchanan-Smith and his party, Song said that in addition to offshore oil exploration in the South China Sea, there were also possibilities for Sino-British cooperation in offshore natural gas exploration in the same area.

Song, who is also minister in charge of the State Planning Commission, also said that detailed information about a survey of natural gas resources in the South China Sea would be released in the first half of next year.

Present at the meeting were Huang Yicheng, vice-minister of the State Planning Commission, and Sir Richard Evans, British ambassador to China.

Buchanan-Smith arrived here last Saturday at the invitation of the State Planning Commission. He presided over the opening ceremony of an U.K. offshore oil seminar here this morning.

UK'S THATCHER CALLS FOR MORE UNITED EUROPE

OW011850 Beijing XINHUA in English 1839 GMT 1 Dec 84

[Text] London, December 1, (XINHUA) -- British Prime Minister Margaret Thatcher yesterday called for a more united Europe to achieve greater unity of action in world affairs. According to press reports here today, Mrs. Thatcher was speaking at a dinner to mark the opening of the third biennial conference of the Franco-British Council in Avignon, France.

The prime minister said that Britain wanted a more united Europe, and by that it meant, "greater unity of the common market, greater unity of community action in world affairs, greater unity of purpose and action in tackling unemployment and the other problems of our time, and greater unity in the development and application of new technology."

She said she wants to see a Europe united by economic freedom, increased trade and the free movement of its citizens. "I do not believe that we shall ever have a United States of Europe in the same way that there is a United States of America. The whole history of Europe is too different," she said. "I do believe, however, that for nations of the European Community, freely to work together and to strengthen their cooperation is just as worthy a purpose," she said.

ROMANIA'S CEAUSESCU RECEIVES LIU FUZHI

OW011947 Beijing XINHUA in English 1934 GMT 1 Dec 84

[Text] Bucharest, December 1 (XINHUA) -- Romanian President Nicolae Ceausescu today received Chinese Minister of Public Security Liu Fuzhi.

Both sides expressed satisfaction with the steady development of the friendly relations and cooperation between the parties and peoples of the two countries. They also expressed the desire for closer political, economic and cultural cooperation between the two countries.

Romanian Minister of Internal Affairs Georgy Homostean and Chinese Ambassador Li Zewang were also present on the occasion. Liu Fuzhi, who heads a delegation of the Chinese Public Security Ministry, arrived here from Switzerland on November 28 for a friendly visit to Romania and will leave for Italy tomorrow.

CIVIL AVIATION DELEGATION VISITS ROMANIA

OW010804 Beijing XINHUA in English 0648 GMT 1 Dec 84

[Text] Bucharest, November 30 (XINHUA) -- Ioan Avram, Romanian deputy prime minister, received here today a delegation of the Chinese General Administration of Civil Aviation headed by its deputy director-general, Guo Yunzhong.

The delegation is here to attend the celebrations of the 10th anniversary of the opening of air service between Bucharest and Beijing.

Welcoming the delegation, Avram said that the opening of the air space has made great contributions to the friendly exchanges between the two countries. Both sides in their talks expressed willingness to further cooperate in air transportation.

Dumitru Puiu, director of the Romanian air transport (Tarom), gave a banquet to mark the occasion yesterday afternoon.

The first Chinese airliner arrived in Bucharest from Beijing on November 27, 1974. A Romanian airliner first arrived in Beijing on December 21 the same year. The Chinese delegation arrived here on November 22 and is scheduled to leave here for Belgrade on December 1.

WANG ZHAOGUO MEETS YUGOSLAV YOUTH DELEGATION

OW301732 Beijing XINHUA in English 1621 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Wang Zhaoguo, first secretary of the Central Committee of the Chinese Communist Youth League, met and dined with a delegation from the Yugoslav Socialist Youth Union led by Robert Cerne here today. The delegation arrived here Thursday. Liu Yandong, member of the Secretariat of the youth league's Central Committee, held discussions with the delegation.

HUANG HUA TO LEAD NPC GROUP TO TANZANIA, ZAMBIA

OW030738 Beijing XINHUA in English 0650 GMT 3 Dec 84

[Text] Beijing, December 3 (XINHUA) -- A 12-member delegation of the Chinese National People's Congress (NPC) led by Vice-Chairman of its Standing Committee Huang Hua is scheduled to pay a goodwill visit to Tanzania and Zambia beginning from December 6. It will be the first Chinese NPC delegation to visit the two countries.

71-year-old Huang Hua served successively as Chinese ambassador to Ghana, Egypt and Canada, and permanent representative to the United Nations. He then became vice-premier and concurrently minister of foreign affairs.

It is learned that during its 12-day visits, the Chinese delegation will meet leader of the two countries and their parliaments. The delegation will also exchange views with members of the two parliaments on international and domestic questions of common concern.

TIAN JIYUN SAYS NIGERIA TALKS IMPROVING TIES

OW030250 Beijing XINHUA in English 0237 GMT 3 Dec 84

[Text] Lagos, December 2 (XINHUA) -- Visiting Chinese Vice-Premier Tian Jiyun said here today that his talks with senior Nigerian officials have paved the way for closer Sino-Nigerian cooperation.

Answering questions by Nigerian reporters before leaving for Benin at the end of his five-day official visit to Nigeria, Tian said that during the talks they had "studied new areas of economic cooperation between the two countries and explored ways to further expand their trade." He believed that his visit "will be a new start to further develop economic, technological and trade relations between the two countries."

The Chinese vice-premier said he and Nigerian officials found that they "can further cooperate in various new areas, such as agriculture, fishery, medical care and, small and medium-sized industrial projects." China is willing to further expand economic and trade cooperation between the two countries on the basis of mutual benefit, Tian added.

Tian Departs for Benin

OW021924 Beijing XINHUA in English 1854 GMT 2 Dec 84

[Text] Lagos, December 2 (XINHUA) -- Chinese Vice-Premier Tian Jiyun and his party left here for Benin this afternoon after a five-day successful official visit to Nigeria.

They were seen off at the airport by Major-General Mamman Vatsa, member of the Supreme Military Council and minister of federal capital territory, Ibrahim Gambari, minister of external affairs, and other Nigerian high-ranking officials.

Present on the occasion were also Chinese ambassador to Nigeria Lei Yang and representatives of Overseas Chinese in Nigeria.

TIAN JIYUN, DELEGATION ARRIVE IN BENIN

OW030646 Beijing XINHUA in English 0631 GMT 3 Dec 84

[Text] Cotonou, December 2 (XINHUA) -- Chinese Vice-Premier Tian Jiyun and his party arrived here from Nigeria this afternoon for an official visit.

Speaking to the press at the airport, he said that his visit to Benin was to reinforce the unity and friendship between the Chinese and Benin peoples and explore ways and means of economic and trade cooperation between the two countries. He expressed the belief that the visit would promote the friendly relations between the two countries and bring it to a new stage. He was met at the airport by Romain Vilon Guezo, president of the Permanent Committee of the National Revolutionary Assembly of Benin. Chinese Ambassador Sun Zhicheng, who is also a member of Tian Jiyun's party, was also present.

XINHUA, MENA SIGN EXPANSION COOPERATION ACCORD

OW021456 Beijing XINHUA in English 1431 GMT 2 Dec 84

[Text] Beijing, December 2 (XINHUA) -- An agreement on expansion of cooperation between the XINHUA NEWS AGENCY and the MIDDLE EAST NEWS AGENCY (MENA) was signed here today. Under the agreement both XINHUA and MENA agreed to expand cooperation on the basis of the agreement on the exchange of news signed in 1960. Deputy Director-General Zeng Jianhui of the XINHUA NEWS AGENCY and Director-General Murtafa Nguib of the MIDDLE EAST NEWS AGENCY signed the agreement. Egyptian Ambassador to China Ahman 'Abd al-Wahhab Salim was present on the occasion.

INVESTMENT DELEGATION LEAVES FOR GULF COUNTRIES

OW011528 Beijing XINHUA in English 1455 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- A five-member delegation of the China International Trust and Investment Corporation (CITIC), headed by Chairman Rong Yiren, left Beijing here today for Kuwait, the United Arab Emirates, Oman and Bahrain, at the invitation of Agha Hasan al-Abaydi, president of the Bank of Credit Under Commerce International. The CITIC delegation aims to strengthen mutual understanding between the industrial, commercial and banking circles of China and the four Gulf countries, and their cooperation in the sphere of investment.

SOMALI FOREIGN MINISTER POSTPONES PRC VISIT

OW010808 Beijing XINHUA in English 0656 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- Somali Foreign Minister Dr Abdurahman Jama Barre has postponed his visit to China originally scheduled for next Monday through Thursday, according to the Chinese Foreign Ministry here today. The exact date for his visit has not been decided yet, the Foreign Ministry said.

ROUNDUP VIEWS PROGRESS OF SOMALIAN ECONOMY

OWO21703 Beijing XINHUA in English 1635 GMT 2 Dec 84

["Round-up: Somalian Economy Makes Encouraging Progress After Policy Reforms" (by Zhai Jingsheng) -- XINHUA headline]

[Text] Mogadishu, December 2 (XINHUA) -- Government efforts since 1981 to revive the flagging Somalian economy have obtained encouraging results, with grain production on the rise again after a serious slump and one-sluggish industrial enterprises showing signs of life.

Although agricultural workers account for only 20 percent of the population, agriculture is the mainstay of the Somalian economy. Throughout the 1970s, agricultural production suffered because economic policies ill-suited national conditions which included border wars, successive droughts and widespread mismanagement. Production statistics for the country's main agricultural export, bananas, tell the story: By 1980, the annual yield had dropped to 60,000 tons, only one third of the 1972 level.

In 1981, facing a serious production crisis, the government raised the state purchasing prices for agricultural products. Prices paid for the three main crops, sorghum, maize and bananas, were all boosted, with the price for bananas soaring 100 percent. As a further incentive, the tax on domestically grown grain was reduced the following year. With all these measures well received by growers, the minister of agriculture was recently able to report that grain production in 1982 had risen to 480,000 tons, up from the poor showing of the late 1970s of around 260,000 tons. Even in drought-stricken 1983, 438,000 tons of grain were harvested nationwide.

The pace of economic reforms quickened this year with the introduction of market liberalization policies. Growers are now required to sell only 5 percent of their produce to the state; the remaining 95 percent can be sold on the open market at prices the market will bear. The state-owned agricultural development company's monopoly of the market has been broken.

The current economic reforms are also rapidly changing the face of industry. In the past, saddled with inappropriate government policies and suffering shortages of skilled technical workers and managers, of raw materials and spare parts, most state-run enterprises were only running at 30 to 40 percent of capacity production at some factories actually ground to a halt. In view of the dismal record of most state-run outfits, the government decided not to build any such new enterprises, but to concentrate on making maximum use of existing ones. Key industries which were already turning a profit have been given precedence in terms of manpower, material and financial resources. At the same time, the development of small and medium-scale private enterprises is being encouraged, with their products now sold freely at market prices.

Another important industrial reform was the adoption of a new labor law this June which removes workers in state-run enterprises from inclusion in the category of government functionary.

At a state-run factory, as in the private sector, workers can now join a trade union which will negotiate a contract with management on their behalf. On the other hand, factory managers now have the right to hire and fire individual workers. In addition, factories now decide workers' salaries, bonuses and benefits in accordance with job performance, a system which has already shown its merit in increased production efficiency.

Certainly problems exist, both in implementation of the bold new economic policies and in carrying out the administrative reforms accompanying them. But so far all indicators point to a gradual resurgence of the ~~Somalian~~ ^{Somalian} economy as an enlivened market benefits both the public and private sectors, and encourages investment from home and abroad.

SHANTOU CITY SENDS WORKERS TO BUILD LIBYAN ROAD

HK301304 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 29 Nov 84

[Text] Another group of engineers, technicians, and workers from Shantou City has recently gone to Libya to build an expressway.

At the end of 1981, the Shantou City Labor Service Company cooperated with the (Feiluoweiya) Company of Spain for the first time and sent 120 workers to work on a road in Libya which this company had contracted to build. For over 2 years, the workers abided by the contract, observed labor discipline, showed great skill, and were industrious and steady. They were highly praised by their employer.

For their outstanding work, this first group was rewarded by this company every month after they had been at the worksite for 6 months. For the past 2 years and more, they have earned about \$1 million in foreign exchange for the state.

In September of this year, when the (Feiluoweiya) Company of Spain contracted for a project in Libya, it again decided to employ workers from Shantou City. This group all arrived at the worksite in Libya at the beginning of this month.

RENMIN RIBAO URGES CUTTING BUREAUCRATIC 'FAT'

HK010841 Beijing RENMIN RIBAO in Chinese 1 Dec 84 p 1

[Commentator's article: "'Cutting the Fat' in the Organs Remains a Major Problem"]

[Text] The majority of units have done well in structural reform, but some have not. Those that have done it well give people a feeling of complete freshness over their age, knowledge structure, and mental outlook, because their leadership groups are sharp witted and capable, the number of layers has been reduced, and their work efficiency has improved. Units that have not done it well have just changed the signboard; they have not been streamlined, there are still excessive numbers of staff, they are still slack and negligent, and the new leadership groups lack a new atmosphere. These cannot satisfy people. Transforming the swollen state of the organs remains a major problem that needs a serious solution.

A person is bound to weaken if his body becomes swollen. Although some athletes in the sports arena or the boxing ring are very heavy, they are not weak. Weakness means a lack of strength and inability to box. This is also the case with the organs; if they are swollen, they will be full of defects. Some organs regard "half a day" as the unit of measurement of time for holding a meeting; they regard several weeks or even months as the cycle for getting some business done; when talking about work matters, a great crowd is assembled but nothing gets done. There is now a slogan "Time is money, efficiency is life," but the swollen organs have a poor concept of time and low work efficiency; they remain the soil for cultivating bureaucratic, formalist, and mandarin work style. In building the four modernizations with a work rhythm and mental outlook like this, how could they not be at cross-purposes with the masses' aspirations?

Reform requires that organs "cut the fat," and "cutting the fat" in organs requires reform. In this respect, certain enterprises that have made a success of reform have already made breakthrough progress, with streamlined organs and enhanced work efficiency. The Capital Iron and Steel Company readjusted some 19,000 people and set up new undertakings, thus invigorating the enterprise. The specific way of "cutting the fat" in the organs is not exactly the same as in the enterprises, but the same spirit of daring to reform and being persistent in reform is needed. Unless reforms are carried out, it is very difficult to eliminate the state of affairs of "just the same whether one works or not; just the same whether one does a lot or a little; just the same whether one works well or badly." Typical bureaucrats can go muddling on with peace of mind, and the enthusiasm of people who want to build the four modernizations cannot be brought into full play. Why is it that in some units the more reforms carried out, the more organs there are; the more cadres promoted, the more cadres there are; and still more administrative companies are set up after certain administrative bureaus have been abolished? Why do they always shout about streamlining without being able to accomplish it? The key lies in whether reforms are genuinely carried out or just done for show. As for people who make verbal calls for reform while actually seizing the opportunity of reform to bore through loopholes and indulge in new malpractices, they fail to meet the most elementary demand for working in concert to build the four modernizations.

The main "fat" in the organs lies in leadership organs at all levels. In "cutting the fat," we must start with leadership organs at all levels. If a good job is done in "cutting the fat" in the organs, a flourishing situation in which work style is transformed and efficiency is improved will truly emerge in the work of the organs.

ENLIGHTENMENT NECESSARY IN DELEGATING POWERS

HK030811 Beijing RENMIN RIBAO in Chinese 3 Dec 84 p 1

[Commentator's article: "We Must Be Enlightened in Delegating Powers"]

[Text] Invigorating the enterprises is the cardinal link in reforming the economic structure. It is therefore necessary to advocate: We must be enlightened in delegating powers. Powers can only be delegated if we are enlightened, and we must be enlightened in delegating powers. By being enlightened, we mean having a clear idea of reasoning and responsibilities.

An important reason many powers that should have been delegated to the enterprises were not delegated to them in the past is that ownership was confused with management power. Many comrades think that all enterprises owned by the whole people should be directly managed by the state organs. The "Decision of the CPC Central Committee on Reform of the Economic Structure" has clarified this issue by clearly pointing out that ownership is by no means the same thing as management power, and that the two can be suitably separated. If those powers that should be separated are not separated, the vitality and vigor of enterprises will be crushed. Management work is in essence service work, and the leading organs should be service organs and should earnestly embrace the concept of serving the development of production and serving the grassroots and the enterprises.

In delegating powers, if it is first necessary to correct our understanding. Some comrades do not really agree to delegating powers because they are worried that things will get into a mess, that the state plans cannot be fulfilled, and that there will be deviation from the socialist track. There is no basis for these worries. Hosts of facts prove that when the enterprises have decisionmaking powers in management, are independently responsible, and take care of their own profit and loss, and when operational performance is linked to the workers' interests, the enthusiasm of the workers as masters of the house is stimulated, old conventions shackling the development of productive forces are discarded, new roads are opened up for developing the productive forces, state plans are fulfilled outstandingly well, and still greater contributions are made to the state and the people. This is certainly not a deviation from the socialist track; instead it means bringing into still better play the superiority of the socialist system. Even if a few small shortcomings appear in certain enterprises, they are not difficult to discover and correct.

The actual reason why some comrades are unwilling to delegate powers is that they cannot bear to delegate to the enterprises the powers over personnel, finance, and material. They are worried that the moment these powers are delegated, some interests that they could have derived themselves will be passed on to the enterprises. It is necessary to break away from this narrow concept of interests. Where do our economic interests come from? In the final analysis, they come from the enterprises. Viewed for a moment, delegating powers may have a little impact on the interests of certain leadership organs, but from the angle of the overall situation, the enthusiasm of the enterprises and the workers can be brought into greater play and production growth can be stimulated as a result of the state organs looking after the main guiding principles, giving counsel to the enterprises, and correcting the operational orientation of the enterprises. When the river rises, the boat goes up, and in the end the state, the people, the enterprises, and the leadership organs will all benefit.

Properly streamlining the administration is a condition that cannot be neglected in truly handing over powers to the enterprises.

When the No 2 Commerce Bureau of Hengyang City in Hunan Province started to implement the operational contract management system, it handed down a number of powers to the grassroots shops, but these shops did not show much change, because the powers were caught on the way and detained by the general shops. Only after abolishing the general shops and streamlining company administration did the grassroots shops have powers and genuine vitality. This vividly shows that the goal of delegating powers can hardly be met if only powers are delegated and no streamlining of administration is carried out. Of course, if powers are not delegated, it is also impossible to streamline administration.

Delegating powers to the enterprises is an urgent requirement of further enlivening the economy. As people absorb the "Decision," and reform of the economic structure develops, more and more comrades will understand that delegating powers does not mean downgrading the status and role of the management organs but correctly strengthening guidance over the enterprises, carrying out supervision and inspection, and achieving all-round coordination; it requires that the management organs improve their leadership level, work style, and work methods, step up investigation and study, promptly pass on information, and provide meticulous and careful service for the grassroots.

PERSONAL RESPONSIBILITY SYSTEM EXAMINED

HK030355 Beijing RENMIN RIBAO in Chinese 27 Nov 84 p 4

["Special commentary" by Chen Zhaogang: "The Principles and Tasks Involved in the Implementation of the System of Personal Responsibility by the Party and Government Organizations"]

[Text] While implementing the system of personal responsibility, party and government organizations should follow the principle of unifying duties, power, responsibility, and interest, and integrating the responsibility system with the system of evaluation, and the system of reward and punishment.

Unifying duties, power, responsibility, and interest is a very important principle for the system of personal responsibility. Duties here mean tasks and work of persons in certain posts. Power means management ability of persons in certain posts to fulfill their duties. Responsibility means consequences accepted by persons who exercise power. Interest means reward for good work and punishment for bad work. Duties, power, responsibility, and interest are the four indispensable factors for establishing a complete system of personal responsibility, and necessary conditions for smoothly and effectively accomplishing a task. For a very long period of time in the past, we lacked a sober understanding of this problem. As a result, defects occurred, such as ambiguity of duties and responsibility, indistinct division of labor, separation of power from responsibility, and disconnection between work and interest. All these defects in the system are the basis for the occurrence and spread of bureaucracy. For example, in practical life people are unwilling to undertake difficult work if the performers should bear heavy responsibility, and can only obtain meager interest. Once problems have occurred, no one is willing to be held responsible for them. All this has given rise to phenomena such as shifting responsibility onto each other, disputing over trifles, "kicking the ball back and forth," and so forth. Very often, leaders of some organizations assign tasks to their subordinate units or working personnel without conferring relevant power on them. Such phenomena that those who are doing actual work have no actual power, and those who have power do not do actual work violates the principle of administrative management. Under such circumstances, the performers of tasks can only ask for instructions and submit reports again and again. All this gives rise to the prolongation of the work process, the odyssey of official papers, the convention of endless meetings, and the release of a mountain of documents.

Some organizations might have conferred power on their working personnel, but they fail to explicitly define the limits of their authority. Those who exercise power might abuse it, so that the state and power suffer losses because of this. They need not be held responsible for the consequences arising from their abuse of power. Generally speaking, the occurrence of accidents for which no one claims responsibility is connected with all this. With regard to remuneration, in the past we very often emphasized unilaterally that working personnel should work hard. However, we failed to link their performance in work with the actual interest they obtained. "No distinction is made between those who do a good job or a poor one, and those who do more work or less." This practice not only dampens the initiative and enthusiasm of working personnel at all levels, but also produces defects such as ossification of the mind, sticking to conventions, following the beaten path, a dilatory style of work, failure to attach importance to work efficiency, and so forth.

To implement the system of personal responsibility, we should change the above-mentioned backward methods of administration and management, and resolutely follow the principle of unifying duties, power, responsibility and interest.

Specifically speaking, we should clearly define the limits of the functions and powers of all departments and working personnel in the organizations concerned, and ensure that everyone realizes his duties, power, and responsibility, and obtains his due interest. We should also ensure that all work is properly done, and that those who run affairs should be conferred with power. We should see to it that power and responsibility are properly linked. Interest and achievement should also be integrated (remuneration should be linked to achievement in work).

The principle of integrating the responsibility system with the evaluation and reward and punishment systems is another important principle for implementing the system of personal responsibility in the party and government organizations. The relations between duties, power, responsibility, and interests defined by the responsibility system cannot automatically become work order in practice. They should be controlled by the implementation of the evaluation system, and the reward and punishment system. Just as Comrade Deng Xiaoping has pointed out, to truly give play to the responsibility system, we should adopt measures for carrying out strict evaluation, rewarding those who work hard and punishing those who are lazy, so that a regular practice of competing with one another in order to become advanced and to make progress will occur on all fronts.

The key to success in the establishment of the evaluation system lies in defining the standards for evaluation, and choosing the methods for evaluation. The evaluation should generally cover the four main aspects of moral character, ability, diligence, and achievement. Among them, efficiency and achievements in work are the most important. Due to the fact that administrative work is different from economic production, it is truly difficult to assess administrative work merely based on the quantity of work. Therefore, we should improve evaluation methods. We should make use of the advanced achievements in psychology, sociology, statistics, and management science, and constantly sum up experiences, so that evaluation work will gradually become more accurate and objective. To reform and improve the system of reward and punishment, we should, first of all, follow a guiding principle of paying equal attention to both spiritual and material rewards, integrating education with reward and punishment, and relying mainly on reward while making punishment subsidiary.

In view of the negative influence resulting from our undue attention to spiritual reward and neglect of material reward in the past, while reforming our methods of evaluation now, we should pay more attention to material reward. Apart from that, we should also pay attention to the standards, types, conditions, and procedures so that the work of reward and punishment will be regularized and systematized.

While implementing the system of personal responsibility, the party and government organizations will face two tasks. First, of all, due to the fact that the setup of our organizations is not fully rational, and we have just started the work of separating functions among the party, government, and enterprises, and that the limits of authority of the department concerned in the organizations have not yet been defined, and their organizational structures have not yet been finalized, it is difficult to definitely define the duties, power, responsibility, and interest of each and every working post. Therefore, to implement the system of personal responsibility, we should first solve the problems of improving the setup of our organizations, and fixing their authorized size, the number of their staff members, and their tasks. Specifically speaking, we should further make a clear distinction between the relations of the party and government organizations at all levels, and the relations between the governments and enterprises. Their tasks and the scope of their powers and functions should be clearly defined. Only thus, can the organizations concerned share in the general task with their subordinate departments, establish functional groups, confer power on the departments and define their duties, and fix the setup of the organizations concerned in terms of their authorized size and number of staff members. Apart from that, while implementing the system of personal responsibility, we should make all-round investigations and studies of working posts in various organizations. We should define their tasks, the scope of their powers and functions, work load, work nature, responsibilities, technical requirements, and the qualification of those persons who fill the posts. The purpose in so doing is to find out the different characteristics of the existing posts so that we can classify them and put them into different grades. In such a way, working personnel in different posts may follow different management methods in accordance with the categories and grades of the posts. After completing the work, each and every working person will know what he should and should not do. All this will also provide a scientific basis for personnel management by echelons with regard to the routine work such as appointment of cadres, evaluation, promotion, training, remuneration, and so forth. This will also greatly overcome the defects of making use of traditional unitary management methods for governing administrative personnel in order to exercise control over various kinds of professional personnel. In this sense, the implementation of the personal responsibility system is connected with the reform of the personnel system, and has become an important content of the reform. While carrying out this work, it is necessary for us to refer to and draw on the methods of foreign countries for classifying posts.

The setup of organizations and personnel management are key factors which will influence the work order of the organizations. If we succeed in the reforms in these two aspects, the work order of our organizations will be regularized. It will therefore be difficult for bureaucracy to survive.

XI ZHONGXUN RECEIVES DALAI LAMA'S REPRESENTATIVES

OW301703 Beijing XINHUA in English 1651 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the Chinese Communist Party Central Committee, today received three representatives of the Dalai Lama.

He told them that Dalai Lama's wish to return to China. [sentence as received]

Xi showed them a photo of the Dalai Lama taken in Beijing in the 1950s. "I worked with him for some time when he was a vice-chairman of the National People's Congress Standing Committee and I was a vice-premier. I know him well," he said. "I think he is an intelligent person and a statesman," he added.

Wrong statements and acts by some people around the Dalai Lama, who did not know Tibetan history and realities, ran counter to the wish of the Dalai Lama to improve his relations with the central authorities, Xi said. He hoped that the Dalai Lama would maintain good relations with people around him. "I also hope that some people close to the Dalai Lama can be more sober-minded and think twice before taking any action," he added.

Xi said that the talk that Yang Jingren, head of the United Front Work Department of the party Central Committee, had with the representatives three days ago embodied the policy of the party Central Committee and the State Council toward the Dalai Lama. The five-point policy, put forward by General Secretary Hu Yaobang in 1981, was published in order to let everybody know the policy of the central authorities, he added.

The representatives Xi received today were Thupten Namgyal Juchen, Phuntsok Tashi Takla and Lodi Gyaltsen Gyari, who arrived here from India on October 21. Thupten Juchen asked Xi to convey their regards to Hu Yaobang, Deng Xiaoping, Zhao Ziyang and Li Xiannian. Their mission to contact the central authorities on behalf of the Dalai Lama was a success, he added.

Xi asked them to convey his regards to the Dalai Lama. He said he wished the Dalai Lama good luck.

Representatives Issue Statement

OW011524 Beijing XINHUA in English 1434 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- A visit by the Dalai Lama to his motherland would bring better understanding between him and the senior Chinese central leaders, said his three representatives here this afternoon. But they indicated that the Dalai Lama's return was not likely to take place in 1985, due to the preoccupations of the administration of the Tibet Autonomous Region with various projects.

In an interview with XINHUA, the three representatives, Thupten Namgyal Juchen, Phuntsok Tashi Takla and Lodi Gyaltsen Gyari issued the following statement.

The statement says, his holiness the Dalai Lama believes the present Chinese central leadership is "sincere and courageous, and therefore he has much hope in reaching a settlement by direct contact". "His holiness the Dalai Lama is clearly on record that the issues involved are not of his personal position or power. Furthermore, his holiness the Dalai Lama feels past events should not become obstacle for the future."

We have not yet presented any written formula to the central leadership as our visits until now have been of an "exploratory nature", it goes on.

However, we have made some of our views and stands known to important leaders including Deng Xiaoping, Hu Yaobang, Li Xiannian, Xi Zhongxun, Ulanhu and Yang Jingren during the past several years. At this stage, it says, "we feel it is best not to discuss these points in public."

"His holiness the Dalai Lama has many times expressed his wish to make a visit to Tibet at the earliest possible time. However, in our opinion, 1985 is not suitable as the whole administration of the Tibet Autonomous Region seems to be preoccupied with various projects, though arrangements may be possible in Qinghai, and other Tibetan areas in Sichuan, Gansu and Yunnan." Additionally, it adds, such a visit requires detail preparations and further discussions.

We are confident, it says in conclusion, that a visit by his holiness the Dalai Lama will "bring better understanding" between him and the senior central leaders.

ZHANG TINGFA ON BUILDING LEADERSHIP GROUPS

HK030643 Beijing RENMIN RIBAO in Chinese 29 Nov 84 p 4

[Report by Wang Lisheng and Zheng Yan: "Speaking at Third Plenary Session of Sixth Air Force CPC Committee, Zhang Tingfa Stresses Establishing a New Viewpoint on Employing People, Strengthening Building of Leadership Groups and Third Echelon"]

[Text] On 28 November, Zhang Tingfa, member of the CPC Central Committee Political Bureau and first secretary of the Air Force CPC Committee, stressed in a report to the Third Plenary Session of the Sixth Air Force CPC Committee that in strengthening the building of leadership groups and the third echelon, it is essential to further eliminate "leftist" influences and old concepts, destroy old conventions, and establish a new concept of employing people.

First, it is necessary to establish a new concept of political criteria for employing people. Comrade Deng Xiaoping's exposition, "What is the political criterion for employing people? The main one is to make positive contributions toward creating happiness for the people, developing the productive forces, and promoting the socialist cause," represents a new political criterion for employing people based on the new concept that the four modernizations drive is the highest form of politics; it is a total negation of the past practice of using "taking class struggle as the key link" and "giving prominence to politics" to judge the political performance of the cadres. Political performance is not an empty thing. We must absolutely not indulge in the stuff of empty politics in viewing and employing cadres, or separate political performance from work achievements; the two must be viewed together. People who work effectively are talented and should be employed in important posts. We must not regard those people who "do as they are told" and "submit" as "virtuous" and "outstanding cadres", we have to look at their work effectiveness. By doing so we can stimulate the cadres to work hard, advance, and to do their work in a creative way.

Second, we must establish a new concept of merits and demerits. In the past, if a cadre did not make major mistakes and no major problems occurred in the unit assigned to his charge, he was held to be successful in work and could even be promoted in proper order. We should have a new concept of merits and demerits in the new period. As far as leading cadres are concerned, if they have no merits, then they have demerits; and if they have not scored outstanding success in work then they are derelict in their duty.

Sticking to old ways, being content with the status quo, excessive steadiness, lack of drive, and mediocrity in work are faults, and mean that a person is incompetent; such a person cannot be allowed to go on in this fashion.

This year, with the approval of the Central Military Commission, we have downgraded or relieved of their duties four Army and divisional cadres and a number of regimental cadres. This action shook people and transformed the old concept of "no demerits mean that one has merits" in the minds of certain cadres into the new concept of "no merits mean that one has demerits." They felt that, like the "iron rice bowl," the "iron armchair" in which one could sit steadily if one made no major mistakes was not to be relied on; they developed a feeling of "crisis" and strengthened consciousness for putting their brains to work on reforms, forging ahead, and creating new things.

Third, it is necessary to establish the concept of discovering talent in the course of practice and testing cadres among the masses. In the past some units relied on files and old impressions to differentiate the cadres, without paying attention to the cadres' current performances; they found out about the cadres by asking a few leaders, without paying attention to what the masses had to say. As a result, onesidedness in examining and promoting cadres was almost inevitable. In examining and promoting cadres in the future, it is necessary to uphold the viewpoint of putting practice first and the method of following the mass line; in order to make accurate and good cadre selection.

Fourth, it is necessary to establish the concept of looking at the cadres' strong points and not demanding perfection in employing people. When young and intellectual cadres are promoted, it often happens that people do not look at their main current or strong points but instead find faults in a petty manner and indulge in idle gossip about them. If the leading cadres are bound up by this old concept of demanding perfection, and do not come forward to speak out, they cannot discover and employ talented people. In fact, those cadres who manage to get by in various respects are often unable to create a new situation. In employing cadres, we must take advantage of their strong points and not stress their weak points. We must not make unrealistic and excessive demands regarding the leadership experience of young and intellectual cadres.

LI XIANNIAN GIVES INSTRUCTIONS ON SICHUAN WORK

HK020329 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 1 Dec 84

[Text] According to SICHUAN RIBAO, on the morning of 29 November, President Li Xiannian listened to Chengdu reports given by Sichuan Provincial CPC Committee Secretary Yang Rudai, Governor Yang Xizong, and Vice Governor He Haoju. He pointed out: Sichuan should take advantage of its superior features in third-line construction, attach importance to developing science and technology, and do a good job in improving equipment.

While listening to the reports, President Li Xiannian expressed satisfaction with the development of industrial and agricultural production in the province in recent years and with the work of the provincial CPC Committee and government. When he heard from a report that the province has decided to grasp the industrial foundation of third-line construction as a major superior feature, President Li said: During the Great Cultural Revolution, some people said that third-line construction was a mistake. I said there was no mistake. In terms of the rational distribution of industry throughout the country, it is very essential, and we need to carry it out. We must provide enthusiastic support for third-line construction. This must not be neglected. There is also a foundation for third-line construction.

We must attach importance to bringing its role into play. However, equipment needs improvement. Some equipment was relatively advanced for China at the time, but now it is old and produces poor results. Unless improvements are carried out, the equipment cannot meet the demands of modern production.

President Li also stressed: The core of the Seventh 5-Year Plan is to carry out the technological transformation of old enterprises, and to modify the equipment and skills in key enterprises into advanced equipment and skills. There is very great potential in this respect.

On further grasping future industrial development, President Li said: The main thing is to have advanced equipment and technology. Attention must also be paid to product variety and quality. Good new products can stimulate consumption; high consumption will stimulate production.

On implementing policies on intellectuals, President Li said: We must attach importance to scientific research and to bringing into play the role of intellectuals, and solve their difficulties.

When a report mentioned further restructuring agriculture, stabilizing grain output, and developing commodity economy, President Li said: Prices in Sichuan are relatively stable. This is mainly because there is an abundance of grain, oil, meat, and vegetables. As long as there is plenty of grain, oil, meat and vegetables to eat and warm clothes to wear, people's minds [words indistinct]. It is not suitable to rely on grain purchases; we should rely on our selves. We cannot say at present that there is too much grain.

While listening to the reports, President Li Xiannian also gave instructions and voiced his hopes on work in Sichuan.

Meets Liberated Area Residents

OWO30805 Beijing XINHUA Domestic Service in Chinese 1525 GMT 2 Dec 84

[Newsletter by XINHUA reporter Wang Wenjun: "President Li Xiannian Says Hello to People in Dabashan Area"]

[Text] Chengdu, 2 Dec (XINHUA) -- On 27 November the Chengdu Plain enjoyed a clear and boundless sky. On that day the secretary of the Daxian Prefectural CPC Committee and the six county party secretaries of Bazhong, Tongjiang, Nanjiang, Wanyuan, Pingchang, and Daxian came to Jinniu Guesthouse in the western suburbs of Chengdu. On behalf of the people in the Dabashan area, they called on President Li Xiannian to extend to him the cordial greetings of the people in the old liberated area. President Li Xiannian, beaming with smiles, stood at the door of the reception room to welcome the guests.

In their conversation with President Li, Sheng Yontang, secretary of the Daxian Prefectural CPC Committee, said: "President Li has just returned from visits to three southern European countries. Though tired, you have found time to meet us. This is your solicitude for the people in the old liberated area of Dabashan." President Li said, smiling: "I'm only doing my duty. The Dabashan area is where I joined the struggle in those years. Although I came from the Hubei-Henan-Anhui base, I have deep feelings for the people in the Sichuan-Shaanxi revolutionary base. When the 4th Front Red Army entered Sichuan, it had little more than 10,000 men. Later, it expanded to more than 80,000 men. Our 11th division also developed from less than 6,000 men at the time when it entered Sichuan to more than 30,000 men and became a very large army. The people in the Sichuan-Shaanxi revolutionary base have made important contributions for China's revolutionary cause. The people throughout the country will always remember them."

Then, Sheng Yongtang introduced to President Li the excellent situation in Daxian Prefecture. He said: Before the 3d Plenary Session of the 11th CPC Central Committee, the per-capita income in Daxian Prefecture reached an average of only 57 yuan. Production in the past few years has continuously developed. It is estimated that this year total industrial and agricultural output value will reach 3.8 billion yuan, total grain output will reach 7.7 billion jin, and the average per-capita income will increase to 187 yuan. People in the old liberated area have peace of mind and are quite satisfied with the party's policies. However, the people in the mountain area are still relatively poor. In some places the question of food and clothing has not been entirely solved.

President Li nodded again and again, saying: The situation is excellent, but some problems still exist. I think that to view the situation in this way conforms to the actual situation. The question of food and clothing in the mountain area of the old revolutionary base still remains to be completely solved. This is a major question, and you must think of a way to solve it as soon as possible. It is necessary to develop the economy in the mountain area in line with local conditions and no longer follow "taking grain as the key link" as in the past. It is necessary to give full play to the superiority of the mountain area by engaging in forestry, animal husbandry, and production of native and special local products in order to develop commodity production in a big way. It is especially necessary to promote the processing industry for farm and sideline products well. It is also necessary to develop transportation. If transportation cannot catch up with commodity production, it will be very difficult to develop commodity circulation. Everyone must further emancipate his mind, make more efforts to conduct investigation and study, and think of more ways to make money. You can do anything as long as it helps develop production and improve the people's living. The features of the old liberated area will certainly change greatly as a result of your efforts.

Yang Rudai, secretary of the Sichuan Provincial CPC Committee, was also present at the meeting. He said: In order to solve the question of food and clothing and the question of afforestation and livestock breeding replacing crop planting in the mountain area, the provincial CPC Committee decided last July to completely exempt the masses in the mountain area from the grain purchase task and, under circumstances which are within its power, to appropriate a small amount of subsidies for the development of production in the mountain area.

President Li cheerfully said: Good! The provincial CPC Committee has implemented a more flexible policy and has also given money. This is a very good thing. However, the state and the province are now still poor. The people in our old liberated area must continue to develop the glorious tradition of arduous struggle and self-reliance.

President Li showed great solicitude for old Red Army veterans who returned to their home counties. He asked about the number of old Red Army veterans who returned to Daxian Prefecture and their living conditions. President Li said: Almost all these veteran comrades were wounded more than once. They have made contributions to the Chinese revolution. The party and government will certainly take good care of them so they can spend their remaining years in happiness.

President Li said: "I do not oppose building a Red Army pavilion and a memorial hall. However, the most fundamental and important thing at present is to develop production and improve the people's living standard and scientific and cultural standards." Pointing to the comrades present, he humorously said:

"You are local officials. If the people's production and living in the old liberated area face problems in the future, you will be held responsible. Of course, we are also held responsible." Listening to his talk, everyone beamed with an understanding smile.

Sheng Yongtang said: "We have confidence that we can do the work well and develop the Dabashan area well."

President Li said: "You have confidence; I also have confidence. This is because the party's policy is good and the people of Dabashan are industrious."

The 1-hour-long meeting soon came to an end. When the guests were leaving, President Li had a group photo taken with them to mark the occasion. Just before parting, President Li repeatedly asked everyone to give his best regards to the people in the old liberated area of Dabashan.

LI XIANNIAN DEPARTS CHENGDU, ARRIVES IN BEIJING

OW010053 Beijing XINHUA Domestic Service in Chinese 1311 GMT 30 Nov 84

[Text] Beijing, 30 Nov (XINHUA) -- President Li Xiannian and his wife Lin Jiamei returned to Beijing from Chengdu this afternoon by special plane, after concluding his state visits to Spain, Portugal, and Malta. President Li Xiannian returned home from Malta on 24 November. He made brief stopovers in Urumqi and Chengdu.

President Li's special plane landed at the capital airport shortly after 1600 [0800 GMT]. He was greeted at the ramp by Zhao Ziyang, premier of the State Council, Ulanhu, vice president; Yang Shangkun, vice chairman of the Central Military Commission; Qiao Shi, alternate member of the Secretariat of the CPC Central Committee; Xhu Xuefan, vice chairman of the NPC Standing Committee; and Yang Jingren, vice chairman of the CPPCC National Committee. They warmly shook hands with President Li, and congratulated him on his successful tour of southern Europe.

Wu Xueqian, state councillor and minister of foreign affairs; and Zheng Tuobin, vice minister of foreign economic relations and trade, who returned to Beijing in advance, after accompanying President Li on his foreign tour, also greeted the president at the airport. President Li Xiannian also shook hands with the diplomatic envoys of Spain, Portugal, and Malta to China, thanking their governments and peoples for the warm welcome and reception he was accorded during his visit. Also greeting President Li at the airport were Wang Zhaoguo, director of the General Office of the CPC Central Committee, and leading members of other departments concerned.

On his departure from Chengdu this afternoon, President Li was seen off at the airport by Yang Rudai, secretary of the Sichuan Provincial CPC Committee; Tan Qilong, chairman of the Advisory Committee of the Sichuan Provincial CPC Committee; Du Xinyuan, chairman of the Standing Committee of the Sichuan Provincial People's Congress; Wang Chenghan, commander of the Chengdu Military Region; Yang Xizong, governor of Sichuan; Wan Haifeng, political commissar of the Chengdu Military Region; Wy Xihai, secretary of the Chengdu Municipal CPC Committee; and Hu Maozhou, mayor of Chengdu.

VICE PREMIER WAN LI RETURNS TO BEIJING 30 NOV

Leaves Urumqi

HK010237 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 30 Nov 84

[Text] Wan Li, leader of the CPC delegation, member of the CPC Central Committee Political Bureau, secretary of the CPC Central Committee Secretariat, and vice premier of the State Council left Urumqi by special plane for Beijing at noon today.

Vice Premier Wan Li arrived in Urumqi on 28 November on his way home from attending the 13th Congress of the Romanian Communist Party and visiting various places in Romania. During his stay in Xinjiang, Vice Premier Wan Li visited the Tianshan Woolen Textile Goods Company Ltd, a Sino-foreign joint venture, the Xinjiang geology and minerals exhibition hall, and the Urumqi petrochemical general plant. He listened to a report from the Standing Committee of the regional CPC Committee setting out specific views on developing and building Xinjiang.

Vice Premier Wan Li was seen off at the airport today by leading comrades of the regional party and government, the Urumqi Military Region, the regional CPPCC, and the Xinjiang Production and Construction Corps including Wang Enmao, Xiao Quanfu, Tan Shanhe, Tomur Dawamat, Li Jiayu, and Janabil. Leaving Urumqi on the same plane were Li Ximing, member of the CPC delegation, member of the CPC Central Committee, and secretary of the Beijing Municipal CPC Committee; and Li Shuzheng, a member of the CPC delegation, alternate member of the CPC Central Committee, and deputy director of the Central Committee International Liaison Department.

Greeted at Airport

OW301610 Beijing XINHUA in English 1456 GMT 30 Nov 84

[Text] Beijing, November 30 (XINHUA) -- Wan Li, member of the Political Bureau of the Central Committee of the Communist Party of China, arrived here from Urumqi today after attending the 13th Congress of the Romanian Communist Party and paying a visit to that country at the head of a CPC delegation. Wan is also a member of the Central Committee's Secretariat and vice-premier of the State Council.

Member of the delegation Li Ximing, member of the CPC Central Committee and secretary of the Beijing Municipal party Committee, and Li Shuzheng, alternate member of the CPC Central Committee and deputy head of its International Liaison Department, arrived here together with Wan on board the same plane.

They were met at the airport by Chinese party and state leaders Xi Zhongxun and Yao Yilin, leading officials of relevant departments Wang Zhaoguo, Qian Liren and Chen Xitong, and Romanian Ambassador to China Angelo Miculescu and Mrs. Miculescu.

Wan and his group returned in Urumqi on November 28.

FANG YI ADDRESSES NEW XINHUA SERVICE RECEPTION

OW302041 Beijing XINHUA Domestic Service in Chinese 1525 GMT 30 Nov 84

[Text] Beijing, 30 Nov (XINHUA) -- Beginning 1 January 1985, XINHUA will have an economic information service. Through facsimile and mail, it will send Chinese and foreign economic, scientific, and technological information to its subscribers. At the same time, the tabloid JINGJI CANKAO [ECONOMIC REFERENCE], which is sponsored by XINHUA, will be expanded and circulated at home and abroad.

XINHUA gave a reception this evening to announce the new service. Present at the reception were party and government leaders Fang Yi and Peng Chong, responsible persons from departments concerned, well-known personages from economic circles and the press, and responsible persons of posts and telecommunications bureaus of all provinces, municipalities, and autonomous regions, who were attending a meeting in Beijing. They totaled more than 300.

JINGJI CANKAO was founded on 1 July 1981. Comrade Deng Xiaoping wrote an inscription for the tabloid, which says: "Develop information resources to serve the four modernizations."

Li Qin, deputy chief editor of XINHUA and chief editor of JINGJI CANKAO, gave a briefing at the reception, explaining the plan to expand the tabloid and inaugurate the economic information service. After expanding the tabloid from 4 to 8 quarto pages in January 1985, JINGJI CANKAO will increase its contents to include market information, economic rules and regulations, economic knowledge, and economic theory. It will set up special columns for various localities and trades. The special economic information service will be inaugurated in two stages. In stage one beginning in January 1985, consolidated economic data covering domestic information, Chinese and foreign economic and trade information, news from Hong Kong and Taiwan, and international economic information will be provided. When the conditions are ripe, information and consultancy on special items will be increased in stage two.

Comrade Fang Yi spoke at the reception. He said that he is an avid reader of JINGJI CANKAO because, as a comrade of the scientific and technological department, he is very much in need of economic information. He hoped that JINGJI CANKAO will be able to provide its readers the latest scientific and technological news and economic information as soon as they arrive at their office. He also urged the tabloid to use more lively language to explain the profound in simple terms for its readers.

In his speech Comrade Peng Chong said: JINGJI CANKAO should take the advantage of XINHUA's strong foundation in running the newspaper well and playing an effective role in publicizing the economic legislation. As an enormous communications network, XINHUA will definitely make its share of contributions to spreading economic information.

In his speech, Minister of Posts and Telecommunications Yang Taifang congratulated XINHUA on the inauguration of its special economic information service and the expansion of JINGJI CANKAO. He called on postal and telecommunication departments in various localities to closely cooperate with XINHUA.

Present at the reception were also Minister of Textile Industry Wu Wenying; Zhang Shou, vice chairman of the State Planning Commission; Zheng Tuobin, vice minister of Foreign Economic Relations and Trade; Xu Guangyi, deputy director of the PLA General Logistics Department; Wu Shaozu, vice chairman of the Commission of National Defense Science, Technology, and Industry; Li Liqing, vice minister of Ordnance Industry; Wang Rongsheng, deputy general manager of the China State Shipbuilding Corporation; Li Baoheng, member of the Secretariat of the China Association for Science and Technology; and renowned economist Yu Guangyuan; as well as Deputy Directors General of XINHUA Feng Jian, Zeng Jianhui, and Yang Jiaxiang.

LEADERS COMMEND OUTSTANDING JOURNALISTS

OW010215 Beijing XINHUA Domestic Service in Chinese 1709 GMT 30 Nov 84

[By reporter Guo Lingchun]

[Excerpts] Beijing, 30 Nov (XINHUA) -- "Allow me to congratulate you on your great achievements in journalism!" Zi Zhongxun's warm congratulations at today's national conference to commend outstanding journalists, highlighted the grand meeting of the journalistic circle. Hu Qiaomu and Deng Liqun, who were present at the ceremony, also congratulated and encouraged that outstanding journalists, while presenting a banner, on which these words were written: "Go deep among the masses, shun empty talk."

The award presentation took place at the Great Hall of the People. Leading comrades of the central department who are concerned with journalistic developments took the opportunity to talk to the journalists present. Xi Zhongxun highly evaluated Chinese journalists for the vanguard role they played at each historical stage. He said:

You should tell the people about the central authorities' policies and lines, and relay their wishes and opinions back to the central authorities. It is on the basis of those wishes and opinions that the central authorities formulate their policies. During this age of rapid change, journalists should broaden their views and pay attention to the future. He stressed that news reports must be based on fact. He encouraged journalists to go deep into the realities of life, feel the pulse of the times, and reflect the people's wishes. Wang Zhaoguo, director of the General Office of the CPC Central Committee, was also present at the award ceremony.

The ceremony was chaired by Wang Ji, vice chairman of the All-China Journalists' Association.

Hu Qiaomu Greeting

OW301316 Beijing XINHUA Domestic Service in Chinese 0918 GMT 30 Nov 84

[Text] Beijing, 30 Nov (XINHUA) — The following is the full text of a congratulatory letter from Hu Qiaomu, member of the CPC Central Committee Political Bureau, to a national conference for commending outstanding journalist workers:

All participating comrades in the national conference for commending outstanding journalist workers: Please allow me to extend to you my warm congratulations and deep appreciation!

The 5 years since the 3d Plenary Session of the 11th CPC Central Committee have seen great achievements in journalism work across the country. Journalism organizations of one kind or another in our country have made significant contributions in all fields; namely, giving publicity to the party's line, principles, and policies; reflecting the creative work done and achievements made on all fronts by the people of all nationalities throughout the country; revealing the problems they have encountered in work and in daily life as well as their demands and opinions; promoting progress in the program of socialist modernization and the reform of the urban and rural economic structures; introducing new knowledge of modern science, technology, economy, and culture; and reporting on the situation of various countries and the contacts between the Chinese people and other peoples in the world. New progress has been made in both the contents and forms of our journalism work. The large increase in the number of newspapers published in the country and the enormous growth of their circulation are both unprecedented in Chinese history. All these are results of the hard work of the journalism workers throughout the country, primarily the advanced collectives and individuals among them (a few comrades among them have died in line of duty; let us commemorate them forever). Your glorious, industrious work deserves respect of the party and the people.

It goes without saying that we should never be conceited with what we have achieved. Our work still has many shortcomings that we should strive to overcome. We still lack many of the new technologies that have already been applied to journalism work, and we should make strenuous efforts to fill this gap. There is not the least doubt that as long as we unite as one and strive to advance under the leadership of the CPC Central Committee, we will certainly be able to bring our newspaper, news photos, news broadcasts, television news programs, news films, and journalism education to the first rank in the work in the not-too-distant future, whether in their contents or forms or technical level. Let us dedicate all our energies and wisdom to this work of great prospects!

Hu Qiaomu

28 November 1984

WANG ZHEN VISITS TAIYUAN INDUSTRIAL COMPANIES

Visits Steel Company

HK010248 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 30 Nov 84

[Text] On the morning of 30 November, CPC Central Committee Political Bureau member Wang Zhen paid a visit to the Taiyuan iron and steel company, accompanied by Minister of Coal Gao Yangwen, Bank of China Chairman Jin Deqin, and Shanxi Provincial CPC Committee Deputy Secretaries Li Xiuren and Wang Jiangong. He urged the workers of the company to emulate advanced world enterprises.

This company is one of the province's old enterprises. In recent years its output value and profits have continually increased as a result of carrying out technological innovations and equipment transformations. (Wang Yingsheng), a leading comrade of the company, reported to Comrade Wang Zhen on the company's production situation. [passage indistinct]

While visiting an exhibition. Comrade Wang Zhen said: Economic development depends on technological progress. The Taiyuan iron and steel plant has done quite well in this respect. I hope you will continue to prosper.

Opens Coal Mine

OW011642 Beijing XINHUA in English 1517 GMT 1 Dec 84

[Text] Taiyuan, December 1 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, today opened a coal mine in Shanxi at a ribbon-cutting ceremony.

Built with special Japanese loan, the Xiqu mine in the Gujiao coalfield 56 kilometers from here will produce three million tons of coking coal for the Baoshan iron and steel complex now being build in Shanghai. Using better extraction, tunneling and transport equipment, Xiqu miners will each cut a daily average of 2.6 tons, more than double the per-capita productivity for other major mines in Shanxi and other parts of China.

Shanxi produced 159 million tons of coal last year, more than one fifth of the nation's annual output. The province is expressed to double its coal output within the next ten years.

Covering the 360 square kilometers, Gujiao coalfield is being developed into China's largest coking coal mining center. Reserves there have been verified at 4.5 billion tons. The building of a mine to produce four million tons a year was started last year, and construction will begin next year on another mine of the same capacity. A third mine expected to cut 1.5 million tons annually will open in 1986. Gujiao will eventually produce 16.5 million tons a year. Five coal washing plants will also be built there.

Opens Coking Plant

HK030257 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 2 Dec 84

[Text] The coking plant of the Taiyuan coal gasification company, which is jointly operated by the Ministry of Coal Industry and the provincial authorities, has been completed 6 months ahead of schedule, and the opening ceremony was held on the morning of 2 December.

Present were Wang Zhen, member of the Political Bureau of the CPC Central Committee; Gao Yangwen, minister of coal; provincial leaders Li Ligong, Li Xiuren, Wang Senhao, Wang Kewen, and Wang Jiangong; and responsible persons of departments concerned. Comrade Wang Zhen cut the ribbon and also inspected the coking plant.

This plant can produce 200 million cubic meters of domestic gas a year, together with 400,000 tons of coke, and 37,000 tons of 13 chemical products including coal tar, benzene, and sulphuric acid. Total investment in the plant is 112 million yuan. Construction began in December 1982. The entry into operation of this plant will solve Taiyuan's problem of bringing in high-quality coal and heavy oil and sending out poor-quality coal and gangue. It will also start to change the make-up of [word indistinct] raw materials and reduce environmental pollution.

Taiyuan City Mayor Wang Maolin spoke at the opening ceremony on behalf of the Ministry of Coal Industry and the provincial and city governments. He said: The coal gasification company is China's first large joint enterprises for the comprehensive utilization of coal. It is a research and experimental center for coal gasification and liquification. It creates a new road for in-depth processing and comprehensive utilization of coal and for speeding up the construction of the province's energy, heavy, and chemical industry bases. Putting the coking furnaces into production now is only the first step. The important thing is to manage the furnaces well. We must establish scientific rules and regulations and strictly implement them. At present we must do a good job in debugging the equipment and enforcing safety measures, and strive to have 100,000 Taiyuan City households using domestic gas by the end of next year, reaching about 60 percent of the planned number.

After the opening ceremony, Comrade Wang Zhen drew to his side (Liu Shuwen), chief engineer of the No 2 Design Institute of the Ministry of Chemical Industry and chief engineer of the Taiyuan coking plant, and asked him detailed questions about the comprehensive utilization and economic results of coal gasification. He also wrote in the engineer's note work notebook: March toward science. He encouraged everyone to stress science and quality and improve the recycling rate of coal.

Comrade Wang Zhen also wrote an inscription for the completion of the plant. The inscription complimented the staff and workers in the comprehensive utilization of coal on their gratifying scientific research achievements, and hoped they would continue to work for still greater success.

ZHANG AIPING GREETES ARMY YOUTH AWARD MEETING

OW020901 Beijing XINHUA Domestic Service in Chinese 1228 GMT 29 Nov 84

[By reporter Ye Xulin]

[Text] Taiyuan, 29 Nov (XINHUA) -- A prize presentation meeting for participants of the second May Fourth Army Youth Knowledge Contest concluded at a certain PLA unit stationed in Yanbei on 29 November. Thirty advanced CYL organizations and 80 advanced individuals were awarded and commended at the meeting.

The meeting was jointly sponsored by the CYL Central Committee, the Central Television Station, and QINGNIAN WENZHAI [YOUTH DIGEST] Publishing House. On behalf of the Central Military Commission and the Ministry of National Defense, Zhang Aiping, deputy secretary general of the Central Military Commission, sent a congratulatory telegram to the meeting in his own name. He Changgong, member of the Central Advisory Commission Standing Committee; Dong Qiwu and Xiao Hua, vice chairman of the CPPCC National Committee; and the PLA General Political Department also sent congratulatory telegrams, inscriptions and, letters to the meeting, congratulating the outstanding achievements of Army youths in the reading drive and the knowledge contest.

Responsible persons of the PLA General Political Department, the CYL Central Committee, and the concerned departments of the Beijing Military Region spoke at the meeting, encouraging Army youths to work harder and to raise the mass reading drive to a higher level.

Prizes were presented to rural and urban youths who won at the second May Fourth Young Knowledge Contest. The number of winners was the highest ever recorded this time. The prize presentation meeting began on 28 November. At the same time, concerned departments of the PLA General Political Department also held a reading experience-exchange meeting for Army youths there.

HU QILI INSPECTS JIANGSU'S EDUCATION 24-26 NOV

OW010345 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 29 Nov 84

[Text] According to XINHUA RIBAO, Hu Qili, secretary of the CPC Central Committee Secretariat came to Jiangsu to inspect educational work on 24-26 November. While in Nanjing, Hu Qili listened to reports by comrades of the provincial authorities and the city education departments, had discussions with comrades from institutes of higher learning and middle schools, and inspected Nanjing Polytechnical College, Nanjing Teachers' University, and its attached middle school, Nanjing City Changjiang Road Primary School, Middle School No 15 of Nanjing City and Jinling Vocational University. While inspecting these institutions, Hu Qili understood, in detail, the situation on education reform, and the students' ideological and political work, and had cordial conversations with responsible comrades of all units, as well as teachers and students.

At Nanjing Polytechnical College, Hu Qili zestfully visited the radio research department, the biomedical engineering institute, and the architectural engineering department, and greatly praised the college's more than 1,000 students for voluntarily organizing Marxism-Leninism and party constitution study groups. At Nanjing Teachers' University and Changjiang Road Primary School, teachers demonstrated the audio-visual education programs. When he learned that the attached Middle School of Nanjing Teachers' University in recent years used the incomes of the school-run plant to build over 140 living quarters and solved all teachers' housing problems, he was very glad. He nodded again and again, and said "good, good" repeatedly. Hu Qili fully affirmed the achievements of Middle School No 15, Nanjing City and Jinling Vocational University, which, in order to suit the needs of society, made reforms and trained a number of qualified personnel to satisfy the needs of various units.

Han Peixin, Gu Xiulian, Yang Yongyi, and others accompanied Hu Qili on his inspection tour.

XI ZHONGXUN, YU QIULI ATTEND BEIJING CONCERT

OW030557 Beijing XINHUA Domestic Service in Chinese 1625 GMT 1 Dec 84

[Text] Beijing, 1 Dec (XINHUA) -- Xi Zhongxun, Yu Qiuli, Deng Liqun, Bo Yibo, Seypidin, Yan Jici, and other leading comrades joined the masses this evening in attending a concert featuring songs by young singers who were winners of the first national televised singing contest.

The concert took place at the Huairan Hall in Zhongnanhai.

During the concert, the winners of the singing contest enthusiastically sang songs reflecting the spirit of the times and people of various nationalities. While some were well-known singers, others were amateurs, relatively new to the audience. Their singing skills and performance were warmly applauded.

Before the concert, the leading comrades attending posed for a picture with the young singers.

FANG YI SPEAKS ON SCIENCE, TECHNOLOGY WORK

OW030743 Beijing XINHUA Domestic Service in Chinese 1212 GMT 2 Dec 84

[By reporter Zhang Jimin]

[Text] Beijing, 2 Dec (XINHUA) -- At the opening ceremony today of the Third Session of the Second China Science and Technology Association National Committee, Fang Yi, member of the CPC Central Committee Political Bureau and state councillor said: The work of the association is to meet the needs of China's economic development and to this end the association must further activate its work. The work of the association is to bring into play the role of the masses. If the association is run like an administrative organ, its vitality will be halved.

Dwelling on how to activate the association's work, Fang Yi said that we must first coordinate relations between the association and the various societies. As the association's foundation, the societies must be given more decisionmaking power so that their role be brought into fully play, thereby activating the association's work. After major principles and policies are laid down, the societies would not have to ask the association for instructions on trivial matters. This would give the societies an active role in conducting academic exchanges both in China and with other countries, and enable scientific and technological research work to better serve economic construction. The China Science and Technology Association must also take an active part in undertaking scientific consulting and provide technical service in accordance with the needs of the national economic construction. This would help scientific research results to become productive quickly and help the association increase its funds. With an increased proportion of self-raised funds, the association would become an organization truly under civilian auspices but with government assistance.

Dwelling on how to bring into play the role of the China Science and Technology Association, Fang Yi stressed that the key to realizing the four modernizations is by activating the economy, but that calls for more qualified personnel. Science and technology associations at various levels should attach importance to the discovery and training of talented people and recommend those with creativeness and in innovative spirit to government departments or enterprises. The associations must commend and amply award those scientific workers who have made outstanding contributions. This is only natural and fair.

He said: The vitality of the science and technology associations lies in maintaining close ties with the masses. The associations must be run like homes for scientific and technological workers. They must make efforts to help the scientific and technological workers solve problems, assist them, and support them in their work. If the scientific and technological workers are besieged, the associations must come forward to back them up and speak for them.

I. 3 Dec 84

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Fang Yi called for further improving the science popularization work. This will be an arduous task for a long time to come and has important significance for raising the Chinese people's scientific and cultural levels. Science popularization work must be directed not only at the masses but also at cadres at all levels. He expressed the hope that the ZONGGUO KEJI BAO [Zhong guo ke ji Bao 0022 0948 4430 2111 1032] [CHINA SCIENCE AND TECHNOLOGY], to be published soon, will play its role in publicizing the world's new technological revolution, popularizing scientific and technological knowledge, and reflect the voices of scientific and technological personnel.

Zhou Peiyuan, president of the China Association of Science and Technology, made a work report at the meeting. He said: Any important task of the current session is to discuss preparations for the third national congress of the China Science and Technology Association to be held next year, and reforms on management of the mass scientific organizations.

HU YAOBANG ENDORSES SUMMER PALACE RESTORATION

OW010924 Beijing XINHUA in English 0734 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- A ceremony attended by 2,000 people here this morning marked the start of the restoration of Beijing's old Summer Palace, the Yuanmingyuan. The plan to restore this famous garden, whose construction started in 1709 and which was burned by the Anglo-French forces in 1900, has been endorsed by Communist Party General Secretary Hu Yaobang.

The first stage is to dredge the 34-hectare Fuhai Lake, adding a perimeter road, seven bridges and lawns. This is expected to be completed by next summer. Next the lake-center Pengdao Yaotai Palace will be restored within three years.

Yuanmingyuan was built by the Qing emperors Kangxi and Qianlong between 1709 and 1772 and regarded as a classic of garden art. Today's ceremony was also attended by all members of the Yuanmingyuan Society and leaders of the Beijing municipal government.

CHENGDU COMPANY EXPORTS LIGHT FIGHTER AIRCRAFT

HK301514 Beijing XINHUA Hong Kong Service in Chinese 0931 GMT 30 Nov 84

[Text] Beijing, 30 November (XINHUA) -- According to BEIJING WANBAO, China has succeeded in making a Type-M light fighter aircraft and has placed it in serial production and exported it abroad.

The Type-M light fighter aircraft, a major improvement of the Type-I aircraft produced by the Chengdu Aircraft Company, is equipped with advanced electronic systems and has an excellent performance rating. The plane has met design specifications, as inspected and approved by the specialists, professors, and engineers of the relevant units of the aviation industrial department. The customer departments have expressed great appreciation of the Type-M light fighter.

SHANGHAI PLANS LAND RECLAMATION FROM COAST

OW301325 Beijing XINHUA in English 1253 GMT 30 Nov 84

[Text] Shanghai, November 30 (XINHUA) — Authorities in overcrowded Shanghai are to reclaim more than 8,600 hectares of coastland for construction, a senior official at the city's Water Conservancy Bureau said today. Cui Zhen said that the land would be reclaimed at sites along the northern fringe of the Hangzhou Bay, the eastern coast of Nanhui County and the northern and eastern fringes of Chongming Island at the Yangtze River mouth, which are all under Shanghai's jurisdiction.

The accumulation of silt will create 17,300 hectares of land suitable for reclamation in these places. About half the land will have been enclosed by 1990, Cui Zhen said.

The Yangtze River, which empties into the Yellow Sea in Shanghai, carries with it an annual average of 500 million tons of silt. The reclamation scheme involves building a network of dykes and other facilities to speed up silt sedimentation in specially designated places, eventually creating land.

The city, with a population six million in its urban sector, has since early 1950's wrested more than 55,300 hectares of land from the sea for construction and other purposes. New buildings and roads constructed during the same period occupy 78,000 hectares. The city has grown rapidly. Farmland in the city's rural sector averaged one hectare to about seven people in 1949. Today's figure is one hectare to 15 people, Cui Zhen said.

Cui Zhen said: "Submerged shoals and exposed sandbars created by silt at the mouth of the Yangtze River are a great hindrance to navigation." Following the reclamation of coastal land, the navigation channel of the Yangtze River will be narrowed, but the resulting faster current will deepen the channel and prevent it from being silted up.

PORTS FULFILL 1984 CARGO HANDLING QUOTAS

OW011519 Beijing XINHUA in English 1511 GMT 1 Dec 84

[Text] Beijing, December 1 (XINHUA) -- China's major ports have already fulfilled their 1984 annual cargo handling quotas, a spokesman for the Ministry of Communications said today.

By November 27, the spokesman, said, more than 248 million tons of cargo had been loaded and unloaded, 0.1 percent over the ports' combined annual targets. The ports include Shanghai, Yinkow, Qinhuangdao, Tianjin, Yantai, Qingdao, Lianyungang, Ningbo and Zhanjiang as well as the Hainan Island Port Administration which runs a number of lesser ports.

BELJING-TAIYUAN HEAVY DUTY POSTAL ROUTE OPENS

OW021210 Beijing XINHUA in English 1040 GMT 2 Dec 84

[Text] Beijing, December 2 (XINHUA) -- A postal route for heavy-duty vans opened yesterday between Beijing and Taiyuan in Shanxi Province.

This is part of the effort by the Beijing Post Office to speed up delivery of newspapers, magazines and other postal matters which mainly depend on railway transport at present.

The vans, each carrying 13 tons, are imported. The whole route is 1,300 kilometers.

This is the first such postal route managed by the Beijing Post Office.

RENMIN RIBAO CARRIES HONGQI TABLE OF CONTENTS.

HK030621 Beijing RENMIN RIBAO in Chinese 1 Dec 84 p 8

[Table of Contents of HONGQI No 23, 1984]

[Text] Article by Yang Qixian: "Give Play to the Role of Government Organs in Properly Performing Their Function of Managing the Economy"

Article by Zuo Chuntai and Li Yanling: "Do a Good Job in Reform To Effect a New Turn in Financial Work"

Article by Zhang Zhixiu and Xie Zhenhua: "A Magnificent Song of Triumph of Collective Heroism"

Article by Cao Zhi: "Assess the Question of Outstanding Intellectuals Joining the Party from the High Plane of Strategy"

Article by Jin Chunming: "The 'Great Cultural Revolution' Was Not a Revolutionary Mass Movement"

Article by Nie Lili and Li Ping: "Cultivate the Peasants' Intellectual Resources in Close Combination With Production -- Rural Investigation Into Two Counties on the Zhu Jiang Delta"

"Great Achievements in Economic and Social Development During the 35 Years since the Founding of the PRC (Statistical Data, Part XI)"

Article by Li Zhiyuan: "Guard Against Jealousy"

Article by Fan Kang: "Information and Breadth of Vision"

Article by Zhang Guangdou: "The Purpose of Reforming Higher Engineering Education Is To Raise Quality"

Article by Huo Maozheng: "Toward a New Height"

Article by Gu Azhao: "Organizational Work Should Also 'Change Its Track and Form'"

Article by Wan Guang: "The Crux of the Middle East Issue"

Short Commentary: "Concentrate Our Attention on Properly Studying the Documents of the Third Plenary Session"

Article by Qin Qiming: "Why Is It That the Development of the Commodity Economy Is a Stage Which Cannot Be Bypassed in Developing the Rural Economy?"

Article by Wang Ruipu: "What Are the Differences Between the Individual Economy at Present and the Individual Economy Before the Socialist Transformation?"

Article by Duan Lian: "Why Do Many People Still Believe in Religion in Some Countries Where Science and Technology Are Highly Developed?"

"Material for Study": "Enterprise as a Corporate Body"

Article by Cheng Wang: "Discourse on 'Able Persons'"

Article by Huang Weiding: "A New Book Worthy of Reading"

WORK IN XIAMEN PREPARES FOR FOREIGN INVESTMENT

OW290931 Beijing XINHUA in English 0701 GMT 29 Nov 84

[Text] Xiamen, November 29 (XINHUA) -- Work is now in full swing to prepare Xiamen Island as a zone for foreign investment. While construction in the Huli industrial area continues, workers are racing against time to widen roads and build infrastructure projects in the eastern part of the island.

Construction of an international exhibition center began in October there. The 400 million Hong Kong dollar-project -- a joint venture between Xiamen and Hong Kong companies -- will be completed in 1989. Also started last month was the construction of a residential estate in the 30 square-kilometer eastern area. Under a contract signed recently between the municipal governments of Beijing and Xiamen, the Chinese capital will invest 400 million yuan in building a "Beijing Street" featuring a 40-story deluxe hotel and restaurants serving roast duck and other famous Beijing dishes. The 2.5-square kilometer Huli industrial area was the only place open to foreign investors until March 1984, when the central authorities designated the entire Xiamen Island -- an area covering 130 square kilometers -- a special economic zone. Hong Kong, Macao, and foreign investment attracted by the city so far amounts to 300 million U.S. dollars, according to a spokesman for the Xiamen Municipal Government.

By the end of this year, the municipal government spokesman said, 22 standard workshop buildings, 22 villas, a restaurant and a service center will have been built in the Huli area, formerly a desolate, hilly section facing the sea. About 1.4 million square meters has been levelled for construction since development of the area began in October 1981. Other infrastructure projects already completed include four deep-water berths for ocean-going ships, an international airport, and water and power supply networks.

BUDDHIST STUDIES SCHOOL OPENS NANJING BRANCH

OW011653 Beijing XINHUA in English 1614 GMT 1 Dec 84

[Text] Nanjing, December 1 (XINHUA) -- A branch school of the Chinese Institute of Buddhist Studies was founded at the Qixia Monastery here today. The rector of the new school Zhao Puchu, president of the Buddhist Association of China.

The institute also inducted its first 56 students, monks 18 to 25 years old drawn from 40 monasteries throughout China. Courses will cover 20 subjects including Buddhist history and scriptures, foreign languages and current affairs. After two years' study, the graduates will return to their monasteries or go on to advanced work at the Chinese Institute of Buddhist Studies in Beijing. Qixia is one of China's four major monasteries. It ran a one-year Buddhist training course last year for 164 monks.

CHEN GUODONG INSPECTS SCHOOLS IN SHANGHAI

OW300842 Shanghai City Service in Mandarin 2300 GMT 29 Nov 84

[Text] Leading comrades of the municipal CPC Committee, including Chen Guodong, Hu Lijiao, Ruan Chongwu, Huang Ju, and Chen Tiedi, inspected four primary and middle schools in the municipality on the morning of 29 November. They were the First Central Primary School in Jingan District, (Jianxiang) Primary School in Xuhui District, Shanghai Middle School, and Tianjin Middle School.

With great interest, Chen Guodong, Ruan Chongwu, and Mao Jingquan visited a garment factory run by Tianjin Middle School and watched some 3d-year senior students of the vocational class making Western-style clothes and Chinese tunic suits. In praise of the school's vocational class, Chen Guodong said that establishment of vocational classes in middle schools accords with the trend of the times and meets the requirement of developing the tertiary industry.

In (Jiangxiang) Primary School in Xuhui District, Hu Lijiao and Chen Tiedi inspected with great interest the buildings of the school and asked the district leaders concerned to help primary schools solve the problem of inadequate school buildings. On the afternoon of 29 November, leading comrades of the municipal CPC Committee sponsored a forum of leaders of some primary and middle schools and responsible persons of the departments concerned at the municipal and district levels to hear their opinions and suggestions on developing primary and middle school education.

SHANGHAI'S WANG DAOHAN OUTLINES REFORM TASKS

OW011122 Shanghai City Service in Mandarin 2300 GMT 28 Nov 84

[Text] To prepare for the implementation of the state's major reform measures, Shanghai should concentrate on doing well six tasks this winter and next spring. This was pointed out by Wang Daohan at a recent meeting of the mayor's office. The main contents of the six tasks are:

1. Arrange for production in accordance with market demands; strive to turn out readily marketable industrial goods in order to enrich market supplies.
2. Quicken the pace of reform by further expanding the decisionmaking power of enterprises, and allow small enterprises to operate flexibly. Meanwhile, it is necessary to reform the management system of corporations or companies by simplifying administrative procedures and delegating power to lower levels.
3. Further open Shanghai to the outside world as well as to other parts of China; boldly utilize foreign capital to accelerate the work of bringing in advanced technology; and bring Shanghai's role as a key city into full play.
4. Strengthen basic urban construction by gradually reforming old urban areas while building new urban areas so as to bring about a substantial change in Shanghai's appearance in 3 to 5 years.
5. Vigorously develop tertiary industry by enlivening consumer goods production centers and commodity exchange markets; improve monetary work, set up a computerized economic information center, increase the number of service establishments, and improve other establishments that directly affect the people's living conditions.

6. Speed up the training of competent personnel by admitting more students to schools of higher learning and to secondary specialized schools and by improving spare-time universities, television universities, and correspondence schools; strive to increase knowledge among the existing specialized personnel; and encourage the rational flow of professionals. Other secondary methods should be adopted to train a contingent of personnel urgently needed by various sectors of the economy.

SHANGHAI'S HU LIJIAO AT LITERARY REFORM FORUM

OW011235 Shanghai City Service in Mandarin 2300 GMT 30 Nov 84

[Text] According to a JIEFANG RIBAO report, on 30 November nearly 100 people of Shanghai's literary and art circles attended a forum on the structural reform of literature and art. The participants noted that they should quicken the pace of structural reform of literature and art, enrich Shanghai's literary and art work, and advance in the frontline of urban reform.

The forum was jointly held by the Propaganda Department of the Shanghai Municipal CPC Committee and the Shanghai Municipal Culture Department. Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee; Wang Yuanhua, director of the Propaganda Department; and Ding Ximan, deputy director of the department, cordially exchanged views with the forum participants. Ding Ximan presided over the forum.

Interrupting a speaker, Wang Yuanhua said that the purpose of reforming literature and art is to train more people in this field and to turn out more theatrical works. He said: As many theatrical troupes are now overstaffed, it is necessary to simplify them by transferring overstaffed personnel to tertiary industry and other occupations; this is a rational way to support literature and art.

A participant expressed the hope that the municipal leadership would act like Chen Yi, mayor of Shanghai in the early post-liberation days, and invite some editors to dinner once a month. Grinning, Hu Lijiao said he would do so. He said he would invite some editors to dinner on New Year's Day or the Spring Festival. The forum, scheduled to last half a day, could not finish its discussions. At the request of all the participants, it will continue on the morning of 1 December.

Calls For Literary Reforms

OW021139 Shanghai City Service in Mandarin 2300 GMT 1 Dec 84

[Text] On the morning of 1 December Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee, pointed out at a forum on the structural reform of literature and art that the key issue in the reforms of the management system of literature and art is to bring about more qualified personnel and results.

He said: Reforms should be conducive to upgrading the quality of writers, artists, ideology, and arts. They should also be conducive to upgrading the quality of creativity and performance and to faster growth of successors to literary and art undertakings.

Quoting a remark by an actor, Hu Lijiao said that structural reforms have encouraged literary and art workers, advanced those who enjoy literary and art works, and educated the sluggards. As for future reforms Comrade Hu Lijiao pointed out that, in implementing reforms, we should have both the present and future in mind. All literary and art units should proceed from the actual conditions, insist on seeking truth from facts, and refrain from seeking rigid uniformity. After finishing a phase of reforms, they may sum up experience to perfect this work.

REN URGES USE OF STANDARD CHINESE IN GUANGDONG

HK030415 Guangzhou NANFANG RIBAO in Chinese 2 Dec 84 p 1

[Report: "Ren Zhongyi Stresses, in Meeting Liu Daosheng, That Guangdong Must Apply Putonghua To Unify the Spoken Language of the Whole Province"]

[Text] On the evening of 30 November, provincial CPC Committee First Secretary Ren Zhongyi met with Liu Daosheng, chairman of the Writing Reform Commission, and his party in the Guangdong Guesthouse.

Also present were Yang Yingbin, member of the provincial CPC Committee Standing Committee; Du Lianjian, deputy director of the Propaganda Department of the provincial CPC Committee; and Yang Zijiang, director of the provincial Education Department.

During the meeting, Ren Zhongyi made an important speech on the popularization of putonghua [standard Chinese spoken language] in Guangdong. He stressed: Guangdong must apply putonghua to unify the spoken language of the whole province. He said, there is a situation that merits attention in the popularization of putonghua in the province: In the process of lowering the average age of the cadres, many of the newly promoted cadres are local comrades, and some country CPC Committees do not use putonghua when holding meetings. Some places and units popularize Cantonese instead of putonghua. There is a medium-sized guesthouse in Shenzhen whose staff all come from Guangzhou, Shantou, and Meixian. Its manager has called on them all to speak Cantonese instead of putonghua, as the common language to be used there. I have asked leading comrades of the city CPC Committee to pass on to them the message that they should popularize putonghua; this is based on the stipulations of China's Constitution.

Comrade Ren Zhongyi held that it is inaccurate to call Cantonese the language of Guangdong Province. Only about one-third of Guangdong's people speak Cantonese, and the other two-thirds speak Chaozhou, Hakka, Hainan, and other dialects. Guangdong must apply not Cantonese but putonghua to unify its spoken language. Open-door cities and regions should not use closed dialects. The PLA has scored the greatest success in popularizing putonghua; it is a great school in this respect.

He also said, now is the best time for popularizing putonghua in Shenzhen. Personnel in Shenzhen come from all parts of the country, and many speak putonghua. Unless the current moment is seized for popularizing putonghua there, then everyone will be speaking Cantonese in 3 years' time.

Comrade Ren Zhongyi pointed out that in schools, teachers should take the lead in speaking putonghua, and the students should start to learn it as soon as they go to school. He said, when I went to Shenzhen, the train staff spoke only Cantonese when making announcements to the passengers; I told him he should use putonghua as well as Cantonese. When buses in Guangzhou reach a stop, the crew should announce it in both putonghua and Cantonese. If the next step is taken, they should only announce it in putonghua. This is because the people of Guangzhou know the stops, and it is mainly passengers from elsewhere who need to have the stops announced. In the future, service trades should examine prospective staff in putonghua, and those who do not speak it should not be hired.

GUANGDONG PEOPLE'S CONGRESS ON REFORM DECISION

HK301556 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 30 Nov 84

[Text] The Standing Committee of the provincial People's Congress held a forum 27-29 November for all its members staying in Guangzhou to study the decision of the CPC Central Committee on reform of the economic structure. Xue Yan, vice chairman of the provincial People's Congress Standing Committee, presided over the meeting. Attending it were the other vice chairmen, Guo Dihuo, Zhong Ming, Huang Youmou, Luo Xiongcai, and Wu Youheng, as well as more than 30 members of the Standing Committee.

Many members took the floor at the meeting and said the decision points out explicitly the orientation, nature, and tasks of the reform. In line with the actual conditions in Guangdong, we should boldly and yet prudently carry out reforms on enterprise management, the price system, and the wage system by breaking with old conventions obstructing the development of the forces of production so as to bring the superiority of socialism into full play. Comrades who took the floor at the meeting pointed out that the work of the provincial People's Congress should be entered on reform of the economic structure. To meet the needs of the reform, we must work out relevant economic laws and regulations prudently.

Vice Chairman Xue Ming said that, in its present legislative work, the provincial People's Congress Standing Committee should make an in-depth investigation and study to formulate various laws and regulations such as factory law and foreign economic contract law so as to render good service in the current economic restructuring.

GUANGXI TO DELEGATE CADRE ADMINISTRATION POWERS

HK010653 Nanning Guangxi Regional Service in Mandarin 1130 GMT 30 Nov 84

[Excerpts] The regional CPC Committee Organization Department recently issued a circular on reforming the cadre administration system at the end of this November and delegating cadre administration powers to lower levels.

In accordance with the spirit of the central instructions and the specific conditions in the region, the regional CPC Committee will reform the cadre administrative system and delegate the administrative powers to lower levels. Within the next year, in the regional organs, the regional CPC Committee will in principle administer down to the level of principal leading cadres of departments, bureaus, and offices [chu]. The committee will authorize its Propaganda Department, United Front Department, and General Office, and the regional Economics, Planning, Construction, Science and Technology, and Foreign Economic Relations and Trade Committees, and the regional government General Office party group to administer the office heads in the departments and bureaus subordinate to these divisions. The office heads in these divisions themselves, and office heads of other departments and bureaus not in these divisions, will be administered by the Organization Department of the regional CPC Committee.

Administration of deputy heads of offices in the regional organs will be delegated to the departments, commissions, bureaus, and sections of the regional CPC Committee, to the party groups of the commissions, offices, departments, and bureaus of the regional People's Government, and the party groups of the popular bodies.

Administration of principal and deputy party and government leaders of office-level enterprises, undertakings, and units subordinate to the regional departments and bureaus, and over the department and office heads and deputy heads of institutes of higher education under the regional authorities, will be delegated to the department and bureau party groups and the party committees of the universities and colleges.

Regarding prefectures and cities, the regional CPC Committee will in principle administer only the principal leading cadres of the level immediately below itself. Administration of heads and deputy heads of offices in the prefectural and city organs, county CPC Committee secretaries and deputy secretaries, county People's Congress Standing Committee chairmen, county governors, and county CPPCC chairmen will be delegated to the prefectural and city CPC committees.

This will help to strengthen the sense of responsibility of the prefectural and city CPC committees and the regional departments, commissions, and bureaus in administering the cadres well.

The regional CPC Committee has demanded: In cadre work it is necessary to strengthen party spirit, eliminate factionalism, and truly practice the principle of four transformations of the cadre force.

GUANGXI RIBAO ON CADRE ADMINISTRATION PROBLEMS

HK010657 Hanning Guangxi Regional Service in Mandarin 1130 GMT 30 Nov 84

[Report on 30 November GUANGXI RIBAO commentator's article: "Do a Good Job in Cadre Administration To Meet the Needs of Reform"]

[Excerpts] Under the new cadre administration system, the number of cadres directly administered by the regional CPC Committee will be greatly reduced, and the majority of cadres will be supervised by lower levels. This is a major reform in the cadre administrative system.

Our current cadre administrative system was formed in the early 1950's. Although a number of readjustments and improvements have been made, there has been no major change in this system. Everyone is quite familiar with the system of high degree of concentration and unified administration, and there are various worries and misgivings over instituting the new cadre administrative system. Judging by the problems reported at present, it is necessary to solve the following questions in understanding.

1. Clearly understand the aim of reforming the cadre administrative system and delegating the administrative powers to lower levels.
2. Correctly understand the principle of party administration of the cadres, which is our party's fine tradition. Carrying out this principle in the new historical conditions requires that party organizations strengthen research of policies and principles regarding the party's cadre work, apply effective ways to implement the principle of four transformations of the cadre force, fully mobilize positive factors of all sectors. Select, cultivate, and forge more talented people for the four modernizations.
3. We must believe that the party organizations at all levels are able to appoint people to posts on their merits. Some comrades are worried that, as the region has not yet completed the handling of problems left over from the Cultural Revolution, after the cadre administration powers have been delegated to lower levels, factionalist people will be given a chance to appoint their acquaintances to posts. Appointing acquaintances to posts is a sign of improper party style, and is not necessarily linked to the cadre administration system.

We should realize that generally speaking the region has upheld the principles of party spirit in readjusting the leadership groups at and above county-level in conjunction with handling problems left over from the Cultural Revolution. The actions of certain people in pursuing factionalism and malpractices in cadre issues must and can be corrected. The party organizations must strengthen leadership over this work.

HUNAN URGENT CIRCULAR ON BUSINESS MALPRACTICES

HK010404 Changsha Hunan Provincial Service in Mandarin 1100 GMT 29 Nov 84

[Text] On 19 November, the provincial Commodity Price Bureau issued an urgent circular demanding that illegal acts which are seriously detrimental to the interests of the state and consumers be resolutely investigated and dealt with and that unhealthy trends such as speculation, illegal selling of state planned materials, and indiscriminate price raising be prohibited.

The circular points out: Some enterprises, institutions, and individuals have recently resorted to all sorts of tricks to carry out speculation and to illegally sell at high prices commodities including rolled steel, motor vehicles, diesel oil, gasoline, name-brand television sets, sewing machines, and bicycles, whose prices are controlled by the state and which are in short supply, resulting in disrupting the socialist market and seriously harming the interests of the state and consumers. Some business departments have not sold commodities which are in short supply at their prescribed prices, but have sold them at prices much higher than the prescribed and reasonable prices, or have changed their prescribed prices to negotiated prices. Some have sold, wholesale, commodities which are in short supply at their retail prices or at prices higher than their retail prices, or have illegally bought commodities which are in short supply and then sold them locally at higher prices. Some have increased the prescribed number of links at each link. The final actual price of a commodity after changing hands is higher by far than its prescribed retail price.

The circular of the provincial Commodity Price Bureau stipulates that a large-scale inspection of the commodities which are in short supply should be immediately carried out throughout the province. The commodity price supervisory and inspection departments in all places must resolutely prohibit all malpractices discovered during inspection and must sternly deal with them. All ill-gotten gains which can be returned to users and consumers must be returned to them. Where the ill-gotten gains cannot be returned, they must be resolutely confiscated. Apart from economic sanctions being taken against parties concerned and relevant responsible persons who violate discipline, necessary disciplinary actions should be taken against them in accordance with the seriousness of the cases. It is necessary to report to judicial organs those who violate the criminal law and to investigate and affix their criminal liabilities in accordance with the law.

SECOND HEILONGJIANG GROUP BEGINS RECTIFICATION

SK020559 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 1 Dec 84

[Text] Following Yichun, Mudanjiang, Qitaihe, Harbin, and Hegang Prefectures and Cities, Heijiang, Jianmusi, and nine other prefectures and cities recently began party rectification after being approved by the provincial Committee for Guiding Party Rectification. So far, 16 prefectures and cities of the second group have begun the party rectification work comprehensively.

Relatively full preparations were made for the party rectification of the second group units. Principal leading persons of prefectural and city CPC committees personally encouraged party members to participate in party rectification, thus enhancing the understanding of the party members of the party rectification units and arousing the initiative of party members and party-member cadres in vigorously joining rectification.

Some prefectures and cities have begun systematic education. First of all, they study and implement the decision of the 3d Plenary Session of the 12th CPC Central Committee on reform of the economic structure. Various prefectures and cities have assigned leading persons to concentrate efforts on party member training classes within certain periods of time. Prefectural and city leaders have taken the lead in conscientiously reading books and taking notes. Most party rectification units have created high enthusiasm for study and party rectification.

HARBIN CITY ESTABLISHES STATE SECURITY BUREAU

SK020555 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 1 Dec 84

[Text] The State Security Bureau of Harbin City was officially established today. The bureau was established in line with the decision of the party and the state on organizing and establishing local state security organs. Under the leadership of the city CPC Committee and government and the provincial State Security Department, the bureau will exercise the duty of safeguarding the security of the state.

JILIN PEOPLE'S CONGRESS STANDING COMMITTEE ENDS

SK010545 Changchun Jilin Provincial Service in Mandarin 1030 GMT 30 Nov 84

[Excerpts] The 10th Standing Committee meeting of the 6th Jilin People's Congress concluded in Changchun this afternoon after a 5-day session. During the meeting, Zhao Nanqi, secretary of the provincial CPC Committee, relayed the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, and Yang Zhantao, vice chairman of the provincial People's Congress Standing Committee, relayed the guidelines of the NPC Standing Committee session.

The meeting discussed and approved a resolution of the Jilin Provincial People's Congress Standing Committee on studying and implementing the CPC Central Committee's decision on the reform of the economic structure and carrying out the province's reform of the economic structure more successfully, heard and discussed Vice Governor Hua Mingguang's report on the province's economic work this year and some opinions on future work, discussed the draft of the regulations for administration of the Changbai Shan natural reservation area, discussed and approved the Jilin provincial regulations for management of crop seeds, and discussed and approved some personnel appointments and removals.

Attending the meeting were vice chairmen of the provincial People's Congress Standing Committee, including Yang Zhantao, Liu Cikai, Cheng Shengsan, Wu Duo, Cui Cai, Wang Jiren, Yu Ruihuang, Dong Su, Renqinzhamsu, and Zhu Jinghang. Also attending as observers were Wang Jinshan, vice governor of the province; and responsible comrades of the provincial Higher People's Court, the provincial procuratorates, city and autonomous prefectural people's congress standing committees, and prefectural commissioner's offices.

GANSU MEETS ON PARTY REREGISTRATION TASKS

HK010357 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 30 Nov 84

[Excerpts] This morning the provincial CPC Committee held a meeting of leading cadres of provincial organs to mobilize those organs carrying out party rectification to do a good job in organizational measures and reregistration of party members and make a success of rectification from beginning to end. Jia Zhijie, deputy secretary of the provincial CPC Committee, presided. Liu Bing, deputy secretary of the committee and deputy leader of the committee's party rectification leadership group, delivered a mobilization report.

Comrade Liu Bing said: The majority of provincial units have now carried out rectification and correction for 4 months. By now 42 of the 88 units are switching to the stage of organizational measures and reregistration of party members. Thirty-two units can complete this switch at the end of November or the beginning of December. A further 12 are currently carrying out rectification and correction in depth. Generally speaking, the units have done a lot of work during this stage and scored success in rectification and correction. The majority of units are basically ready for switching to the stage of organizational measures and reregistration of party members.

Comrade Liu Bing said: Doing a good job in organizational measures and the reregistration of party members is an important step in completing the party rectification task and organizationally consolidating and developing the fruits of rectification. The following issues merit attention, in order to seriously complete the tasks in this stage.

1. Fully understand the necessity and importance of doing a good job in organizational measures and the reregistration of party members, do a thoroughly good job of the work in this stage, and ensure that good results are achieved and the work is not done in a superficial way.

2. It is necessary to implement the principle of being both resolute and cautious, and persistently set high standards and strict demands. As soon as organizational measures and reregistration commence, it is necessary to conduct education for the party members in the standards for a party member, so that every party member will be clear about the conditions that qualified party members must possess in the new situation. Only those party members who meet or generally meet the standards for a party member can be reregistered. Those who do not meet them at all cannot be registered. Those who basically do not meet the standards but are resolved to transform themselves and show signs of this, and are willing to undergo party testing, can have their registration deferred. It is impermissible to adopt the erroneous method of lowering the standards for party members by reregistering all of them on the grounds that it does not matter much if they are reregistered or not.

In order to do a good job of organizational measures and reregistration, it is necessary to stick to the principle of seeking truth from facts. Proper measures must be taken, whether someone is being expelled from the party or being dealt party discipline in other ways, and whether a party member is not being reregistered or is having his registration deferred, based on the facts of his errors and his actual behavior. We must not repeat the past leftist methods of rectifying people. We must not treat party members in ways that violate the regulations of the party Constitution.

3. We must strengthen leadership over organizational measures and the reregistration of party members, and carry out this work in a solemn and serious way.

Comrade Liu Bing said: Party rectification work in the province has now been under way for more than 1 year and has produced great successes. However, there are inadequacies when viewed in light of the demands of the central decision on rectification, and there is still much to do. We must continue to get a good grasp of rectification and correction work, get a vigorous grasp of backward units, resolutely readjust the leadership groups, continue to do a good job in verification work, and make a success of rectification from beginning to end.

LI XUEZHI AT NINGXIA ADVISORY COMMITTEE MEETING

HK030701 Yinchuan NINGXIA RIBAO in Chinese 17 Nov 84 p 1

[Report: "Regional Advisory Committee Held its Third Plenary Session; Comrade Xue Hongfu Delivered a Report, and Comrade Li Xuezhi Attended and Spoke at the Meeting"]

[Text] The third plenary session of the regional Advisory Committee under the regional CPC Committee, which had lasted 2 days, ended on 15 November. The main agenda of the session was to study documents connected with the 3d Plenary Session of the 12th CPC Central Committee, sum up the work carried out since the committee's founding, and arrange future work for the regional Advisory Committee in accordance with the spirit of the decision of the CPC Central Committee on reform of the economic structure, and unified plans worked out by the regional CPC Committee. Xue Hongfu, chairman of the regional Advisory Committee, and Shi Yulin and Jiang Guangdong, vice chairmen of the regional Advisory Committee, attended and presided over the session. Li Xuezhi, secretary of the regional CPC Committee and Hao Tingzao, deputy secretary of the regional CPC Committee, attended and spoke at the session.

During the session, Comrade Xue Hongfu delivered a summary report on the work of the regional Advisory Committee since its founding, and members of the committee enthusiastically discussed the report. Over the past year or so, in accordance with the characteristics of the veteran comrades, the regional Advisory Committee has organized its members to conscientiously study the basic theories of Marxism-Leninism-Mao Zedong Thought, "Selected Works of Deng Xiaoping," and other important economic and technical articles, to take an active part in party rectification, to complete the work entrusted by the regional CPC Committee, to help units concerned carry out structural reform, to inspect the formation of the "third echelon" of cadres, to weed out "people of three categories," to do propaganda work outside the province, to take part in celebration activities, to conduct some inspection and investigation work, to do social work, etc. In accordance with their previous specialities, some members have gone into the realities of life, and put forth some proposals on the basis of investigations and studies. Some members have undertaken organizational and leadership work for some academic organizations to devote themselves to the study of some theoretical problems and policies. Some members have taken part in editing and selecting work. Some members give lessons in party schools and other units, examine and edit materials of party history in revolutionary base areas on invitation, and write revolutionary memoirs to provide youngsters with revolutionary traditional education.

With regard to the future work and tasks of the regional Advisory Committee, all members have unanimously maintained that their work focus is to conscientiously and effectively study the "Decision of the CPC Central Committee on Reform of the Economic Structure," to make investigations and studies in accordance with the unified arrangements made by the regional CPC Committee, to advocate bold exploration, to suggest ways and means, and to play their role in promoting the reform of the economic structure of the region. In the meantime, they should do well in taking an active part in party rectification from start to finish, continue to do well the work assigned by the regional CPC Committee, attach importance to discovering, training, and recommending talented personnel, and support them in taking up leading posts.

In his speech, Comrade Li Xuezhi affirmed the work of the regional Advisory Committee since its founding, and hoped that veteran comrades in the committee would do some investigations and studies, exercise their power for putting forth proposals, and provide the units concerned with consultative services. He added that to ensure smooth progress of the reform of the economic structure, the most important thing to do was to "respect knowledge and intellectuals." At present, there are a lot of excellent talented personnel in various trades, services, and departments, whom we should discover and train. He hoped that all members would provide more "information and advice" in various ways with regard to this key issue which concerns the situation as a whole, select and recommend the most talented personnel. In his speech, Comrade Li Xuezhi also asked party organizations at various levels to pay attention to giving play to the role of veteran comrades, and show concern for their political treatment and well-being. In a word, their living standard in terms of food, clothing, shelters and transportation should not be lower than those cadres at their posts. Preferential treatment should be given to those who are old and weak.

BAI JINIAN ON IMPROVING SHAANXI PARTY STYLE

HK030331 Xian Shaanxi Provincial Service in Mandarin 1130 GMT 2 Dec 84

[Text] A conference on inspecting the implementation of plans for bringing about a fundamental turn for the better in party style, convened by the provincial CPC Committee, concluded yesterday. Provincial CPC Committee Secretary Bai Jinian attended and spoke at the meeting yesterday. He dwelled on three issues:

1. Eliminate leftism and old concepts. He said: In eliminating leftism and old concepts, it is necessary to totally negate the Great Cultural Revolution, clear away its pernicious influence, and clear away and destroy leftist dogmatism that has long existed in guiding ideology, together with leftist policies, principles, and erroneous methods. We must destroy the small peasant economy mentality and feudal patriarchal concepts, together with unhealthy phenomena in political life.
2. Establish a healthy organizational life.
3. Pay attention to studying and solving new conditions and problems in correcting party style and in discipline inspection work, to fit and ensure the smooth progress of economic reforms.

Luo Wenzhi, secretary of the provincial Discipline Inspection Commission, delivered a summation report. He said: The party committees and discipline inspection commissions at all levels must have a thoroughly clear picture of the unhealthy trends to be thwarted and opposed during reforms, and fully understand that there can be question of relaxing the principles of party spirit and party discipline. They must fully understand the guarantor role of improving party style and strictly enforcing party discipline for the economic structure.

The report demanded that party committees and discipline inspection commissions at all levels take a firm and clear-cut stand in resolutely curbing and guarding against phenomena ruining party style and endangering party discipline that appear in new forms in the course of reform, and promptly remain the party members of cadres of these things; for instance, using powers to engage in business, strike up indiscriminate relationships, and monopolize industry and sideline occupations for relatives and friends, buying up state materials and reselling them for great profit [words indistinct], extorting and imposing charges on specialized households and individual entrepreneurs, violating the interests of people who get rich through hard work, and so on. All these matters ruin the party style and violate party discipline, and must be resolutely curbed.

U.S. ECONOMIC DELEGATION VISITING TAIWAN

Premier Optimistic on Relations

OW030251 Taipei CNA in English 0237 GMT 3 Dec 84

[Text] Taipei, Dec 2 (CNA) -- Premier Yu Kuo-hwa told a group American dignitaries Sunday that both Chinese and Americans believe in the values of freedom, justice and human dignity, and he is convinced that the friendship between the two peoples will serve as a basis for the close economic cooperation between the Republic of China and the United States in the future.

The premier gave a dinner party in honor of chief participants to the eighth joint conference of the ROC-U.S. and the U.S.-ROC Economic Council at Taipei's Grand Hotel. The meeting was scheduled for Dec. 3 through 5.

In an after-dinner address, the premier said the trade and economic relations have promoted friendship between the peoples of the two nations, and the friendship in return will be a basis for the future bilateral cooperation in the fields of trade and economy.

He lauded the two economic councils for their joint contribution to promoting economic interflows between the ROC and the U.S., saying that particularly noteworthy is that during the time of recession, the two organizations have jointly made efforts in further developing trade relations between both sides.

He pointed out that 1984 is a significant year because it marks the 200th anniversary of trade relations between Chinese and Americans. "Such relations have since 200 years ago been fostering bilateral friendship, which is still growing today," he added.

David M. Kennedy, chairman of the U.S.-ROC Economic Council, responded to Yu's remarks by saying that his council will make efforts in promoting friendship and trade and economic interflows between the Republic of China and the United States.

Others present at the party included David Dean, board chairman of the American Institute in Taiwan, Ohio State Governor Richard Celeste, Senator Frank Murkowski of Alaska, ROC Vice Premier Lin Yang-kang, Foreign Minister Chu Fu-sung, Economics Minister Hsu Li-teh, [and] ministers without portfolio K.T. Li, Ma Chi-chuang and Chao Yao-tung.

Senator Comments

OW030319 Taipei CNA in English 0244 GMT 3 Dec 84

[Text] Taipei, Dec 2 (CNA) -- Senator Frank Murkowski said Sunday that the newly-elected leaders in the U.S. Senate are friendly to the Republic of China and expected that the "friendly sentiment" between the Republic of China and the United States will certainly be further strengthened.

Sen. Murkowski, chairman of Asian-Pacific Subcommittee of the U.S. Senate Foreign Relations Committee, made the remarks in a press conference upon his arrival here Sunday.

The power structure of the 99th new Congress of the United States showed tremendous change since Sen. Robert Dole of Kansas was elected as leader of the Republican majority, Sen. Alan K. Simpson of Wyoming as deputy leader of the majority and Sen. Richard Lugar of Indiana as chairman of the Senate Foreign Relations Committee.

MAINLAND PLAYING 'DECEITFUL GAME' WITH U.S., USSR

OW300435 Taipei CHINA POST in English 27 Nov 84 p 4

[Editorial: "Fifth Round of Peking-Moscow Talks"]

[Text] The fifth round of the Peking-Moscow talks were held in Peking between Oct. 18 and Nov. 2. The participants included Chinese Communist "vice foreign minister" Chien Chi-chen and Soviet Deputy Foreign Minister Leonid Ilichev and other officials of both sides.

On November 3, a joint communique was issued in Peking describing the fifth round of normalization talks as ending with no apparent breakthrough though the talks were "frank, calm and earnest."

The joint communique also stated that "both sides expressed the desire for improved Red China-Soviet relations and the willingness to further expand the contacts and exchanges between the two countries in the economic, trade, scientific, technological, cultural, sports and other fields on the basis of equality and mutual benefit." The two sides also described the talks as "useful" and said that the next round of talks would be held in April, 1985 in Moscow.

While the conclusion of the fifth round of talks without any breakthrough was not unexpected, the atmosphere of the talks greatly improved. The joint communique stated that the talks were conducted in a "frank, calm and earnest" atmosphere. Moreover, the Chinese Communists have for the first time refrained from raising the three pre-conditions for the Soviets to fulfill.

Those conditions were that the Soviets must reduce their border troops, withdraw Soviet troops from Afghanistan and cease their close relations with Vietnam where the Soviets have deployed nuclear missiles. These pre-conditions were often referred to by the Chinese Communists as three obstructions in their relations and their removal would go a long way to improve mutual relations.

On the Soviet side, Soviet leader Konstantin Chernenko also expressed his willingness to improve relations with the Chinese Communists. He told the Outer Mongolian leader in Moscow recently that normalization of relations between Moscow and Peking would be helpful to the improvement of the situation on the Asian Continent and it is especially important at this time when the imperialists are uniting their forces to wage a struggle against socialism. The world situation, he noted, has greatly deteriorated and the danger of war is on the increase.

The Chinese Communists also lost no time in responding to Chernenko's initiative by commenting on October 27 that the Chinese Communists also genuinely hoped for a normalization of relations with the Soviets.

Therefore, the superficial no breakthrough in the fifth round of Red China-Soviet talks should be evaluated with the above circumstances in mind. It does not mean any absence of agreement or disagreements on many vital issues. If any, they would be raised in the next round of talks in Moscow in April, 1985.

Perhaps, there were more agreements than disagreements in the fifth round of talks which are yet to be revealed. For among the three prior conditions raised by the Chinese Communists in the previous four rounds of talks, only the reduction of Soviet forces at the border may be negotiable while the other two conditions are not. It would be too much to expect the Soviets to yield on those points.

On the other hand, there is no special reason for Peking to pressure the Soviets to reach any agreement or breakthrough on the talks. The present deadlock is advantageous to Peking since it can induce Washington to grant it concessions as long as the deadlock persists. It is the deadlock in Peking-Moscow relations which is conducive to close Washington-Peking relations but not vice versa. Should Peking reach an over-all settlement with the Soviets on its relations, Washington will be offended and feel not obliged to cater to Peking any more than necessary. Peking would be the ultimate loser in that case.

The United States should realize that the present impasse between Peking and Moscow has been purposely prolonged to intimidate and blackmail the United States into supplying Peking with arms sales and technological and scientific equipment supposedly to counter the Soviets. At the same time, Peking is also demanding similar assistance and sales from the Soviets to keep Peking from complete submission to Washington.

Peking is playing a clever but a deceitful game with both Washington and Moscow. The best thing it prefers would be a direct confrontation and conflict between the two superpowers, including a nuclear confrontation. It hopes to reap untold benefit in such a confrontation by defeating two giants by themselves and Peking would remain as the only giant left to dominate the world.

TA KUNG PAO COMMENTS ON KIM IL-SONG BEIJING TRIP

HK010238 Hong Kong TA KUNG PAO in Chinese 1 Dec 84 p 2

["Political Talk" column by Shih Chun-yu: "Kim Il-song's Internal Unofficial Visit to China"]

[Text] Why This Visit Attracts Attention From Various Quarters

Kim Il-song, general secretary of the Korean Workers Party, paid a 3-day internal unofficial visit to China from 26 to 28 November. The CPC Central Committee's International Liaison Department revealed this news yesterday at its first press conference for Chinese and foreign correspondents. Made at a time when changes beneficial for easing the situation on the Korean peninsula have appeared, Kim Il-song's internal visit has naturally attracted the attention of various quarters including the United States, the Soviet Union, Japan, and Asian countries.

Beijing stressed that this was an "internal unofficial visit." This was a reply to foreign reports of a "secret visit," and also played the role of "ensuring a correct understanding of the facts." There are close ties between China and Korea, and leaders of the two parties and countries are frequently coming and going. An internal unofficial visit can cut out a lot of red tape in receiving the guest, and the two sides can discuss in a straightforward way problems of interest to both countries. The fact that a news release was issued afterwards means that the visit was not secret.

Concentrated Talks, Full Agreement

Beijing has announced the events of Kim Il-song's visit. On the first day, he had talks with Deng Xiaoping, Hu Yaobang, Chen Yun, and Peng Zhen. Li Xiannian was away at the time visiting Spain, Portugal, and so on, and Zhao Ziyang was conducting an inspection elsewhere in the country, and hence they did not attend. He held talks with Hu Yaobang on the mornings of both the second and third days of his visit, that is, on 27 and 28 November. It is evident that the two sides had concentrated talks on a number of major issues.

Beijing gave a very concise picture of the contents of the talks, just saying that "the two sides fully exchanged views on friendly relations and international issues of common concern," and adding that "they reached full agreement on all questions discussed."

This clearly shows that Sino-Korean relations are extremely good. It also means that the two sides support each other in practicing a policy of opening up to the world. It is precisely because they want to pursue this policy, develop their national economies, and improve living standards that they both need a stable and peaceful international environment, so that they can concentrate on construction.

Korea Opens Up to the World

China has repeatedly stated that its policy of opening up to the world is a national policy that will be unchanged for a long time. Korea introduced an open-door policy at the beginning of this year. Behind it is the Soviet Union. Korea's major policy decisions cannot but take account of the existence of this "powerful neighbor" to a greater or lesser degree. It is a major change, given universal international welcome, that Korea has instituted an open-door policy and welcomed investment from businessmen of leading Western capitalist countries including the United States and Japan.

Of course, this is also based on the country's economic development requirements, meaning that Korea must follow its own path in accordance with its own realities. This is a wise policy decision.

Full Agreement on All Issues Discussed

The Korean peninsula has been artificially divided into two countries for more than 30 years. This is extremely unnatural and runs counter to the aspirations of the entire Korean people. The only way to achieve reunification of the Korean nation is for the South and North to first open up their doors to each other and permit exchange of people and economic exchanges. A gratifying situation has now initially emerged on the Korean peninsula. The two sides have started to make contacts, and have decided to hold talks next year on allowing mutual visits by their people, opening up postal communications, opening up commerce, organizing joint ventures, and so on.

Kim Il-song's visit was made at a time when China is carrying out a great opening to the world following the 3d Plenary Session of the 12th CPC Central Committee. Hence it is definite that the two sides would discuss open-door policies and the interflow of economic policies. Moreover, the two sides reached full agreement on all issues discussed. This shows that the talks were completely successful.

CHENG MING VIEWS RECENT EVENTS IN ZHONGNANHAI

HK030340 Hong Kong CHENG MING in Chinese No 86, 1 Dec 84 pp 6-9

["Notes on a Northern Journey" by Lo Ping "Noise in Zhongnanhai"]

[Text] "Reform Will Lead to Trouble"

Rumors have flown through Beijing: "From now on, high wages and consumption will prevail in China." "The time for low wages and consumption has gone, never to return, and has been replaced by intermediate level wages and consumption."

This is actually good news. However, people are worried that a wage increase will inevitably stimulate the soaring of prices. Consequently, some people have quietly purchased many goods from the market.

All this took place in mid-October. A few days later, on the afternoon of 20 October, the Central People's Broadcasting Station broadcast the "Decision of the CPC Central Committee on Reform of the Economic Structure" adopted by the 3d Plenary Session of the 12th CPC Central Committee. The first reaction was that the masses rushed to the banks to withdraw their money, which was very much like what happened in Hong Kong some time ago. Meanwhile, panic buying of knitting wool, woolen blankets, woolen and cotton fabrics, eggs, grain, matches, and salt also took place in many shops. Blue and grey cotton and woolen fabrics which had been difficult to sell were also in great demand. Many people bought more than a dozen jin of eggs at a time.

Panic buying led to inflation. The prices of all kinds of food rose universally. Notebooks originally selling at 6 fen rose to 9 fen. In addition, the rumors became all the more active: "The price of furniture will increase by 100 percent in the coming year!" "The price of grain will also be raised next year!" All of Beijing was confused.

On 25 and 26 October, all the units in Beijing relayed Mayor Chen Xitong's speech calling on the people not to participate in "panic buying." Chen Xitong said: The prices will not rise indiscriminately in Beijing. Before the prices are readjusted next year, wages will first be increased. Please set your minds at ease.

The people who are against economic reform found new footholds in the panic buying: "Reform will lead to trouble." Naturally, such a remark is not very convincing. Small troubles are unavoidable and they do not have inevitable connections with reform. What is more, these troubles can be surmounted.

Chen Yun Opposes Huge Spending for National Day Celebration

Are there also such opposition views in Zhongnanhai? Yes, of course. Let us first analyze the situation since the 3d Plenary Session of the 12th CPC Central Committee.

The spending for the National Day celebration was truly something. It is said that Chen Yun was against spending billions of yuan for the National Day celebration and held that this was a colossal waste. It is a pity he did not find any support. Chen Yun has won praise from the masses for leading a simple life and opposing extravagance. It is a pity that very few people in the ranks of the CPC have such virtue.

Some senior officials have asserted that the spending for the National Day celebration was not as great as the exaggerated figure of the rumors, and that the question of extravagance is not relevant. According to a foreign news agency, the spending for the National Day celebration amounted to 4 billion yuan. When the XINHUA NEWS AGENCY transmitted this dispatch in its Reference News section, a certain important official in Zhongnanhai flew into a rage and claimed that the figure should be 7 to 8 million instead of 4 billion. He held that the XINHUA NEWS AGENCY had committed a mistake by transmitting this news. Nevertheless, those who know the facts are aware that it is reasonable that a single unit attending the National Day celebration might have spent 10,000 yuan, but nobody will believe that the total spending is 7 to 9 million yuan. They say that the fact that Chen Yun opposed extravagance is precisely the evidence for huge spending.

Hu Yaobang's 32-Point Proposal and Chen Yun's 8-Point Proposal

Naturally, Chen Yun's stance against extravagance is one thing and that against accelerating the pace of urban reform is another. The former should be affirmed, while the latter should be open to question.

A while ago, Chen Yun's views on urban economic reform obtained an advantage at the high level of the central authorities. Hu Yaobang also put forward a 32-point proposal concerning reform, in which he insisted on the leading role of the market economy and the supplementary role of the planned economy. After reading Hu Yaobang's report, Chen Yun raised an eight-point proposal in which he insisted on the leading role of the planning economy and the supplementary role of the market economy, which actually negated Hu Yaobang's ideas. Hu Yaobang insisted on transforming the outlook of the cities within 3 to 5 years, whereas Chen Yun held that it would be good enough to effect such a change after 30 years. Later, Chen Yun's idea became the favored one, and the party paper carried articles publicizing the "correct principle" of "the leading role of the planned economy and the supplementary role of market regulation." Meanwhile, urban reform and the contracted responsibility system in enterprises were slowed down or suspended.

Nevertheless, the reformers Hu, Zhao, and Wan (Wan Li) did not give up. They insisted on their original intention of accelerating the reform of the urban economic structure and demanded that Hu Qili organize scholars and experts to provide a theoretical basis for urban reform and to assess the experiences and lessons of urban reform carried out at experimental points in order to explore and design the feasible path and plan for the reform of the economic structure. All this was the outline prepared for the "decision" of the 3d Plenary Session of the 12th CPC Central Committee. In the course of formally drafting the "decision," distributing it to several thousand leading and groups for discussion, and revision by the work group specially assigned by the Secretariat according to the correct views and suggestions put forward by leading cadres, the reforms vigorously developed public opinion on accelerating the pace of urban reform in the main newspapers and periodicals of the country, issued a series of articles written by several theorists, and disclosed the contents of the "decision" on the reform of the planning and pricing systems.

As a matter of fact, the "Decision on the Reform of the Economic Structure" prepared by the reformers was a "counterattack" against the conservative ideas of Chen Yun and others. Of course, Hu, Zhao, and Wan also made some "compromises." Thus, we can still see the shadow of the "birdcage economy" in the "decision." In other words, the small birdcage economy has become a big birdcage economy (Correction: In the "Notes on a Northern Journey" column in the previous issue, we mistakenly rendered "the small birdcage economy has become a big birdcage economy" as "The big birdcage economy has become a small birdcage economy" -- editor). Nevertheless, it is unusual progress.

Thus the conservative "noise" in Zhongnanhai was finally overwhelmed.

A Marriage Between a High Official and a Beautiful Girl

It goes without saying that noise will never disappear. It is a normal phenomenon to hold different views on the same question. It is also normal to reach unanimity through discussions and study. It would be counter to seeking truth from facts if we were to impose unanimity or hold that there will be no differences in the future.

For example, some views of Wen Yuankai, a pioneer reformer and an internationally well-known scholar, have recently been censured by certain people. He recently delivered reports and speeches on reform at the invitation of various localities and was warmly welcomed. Although his speeches are not "truth in every respect," they embody the open and enlightened style and characteristics of the reforms in boldly blazing new trails and courageously forging ahead. At present, the question of whether a tree bending in the wind is the reflection of the dissatisfaction of certain people against reform and the open-door policy merits attention. I am now gathering news in this respect for the readers who are interested in reform (an exciting long speech delivered by Wen Yuankai will be carried in our next issue -- editor).

Take another example: A veteran cadre told my friend that the reform carried out in China at present is a combination of socialism and capitalism, which is very much like a marriage between a high official (socialism) and a beautiful girl (capitalism). He also said: Some veteran cadres hold that we are still advocating Mao Zedong and Mao Zedong Thought in words, but actually they are totally negated, which is even going beyond the "Resolution on Certain Questions in the History of the CPC Since the Founding of the PRC" adopted by the 6th Plenary Session of the 11th CPC Central Committee. Whenever these cadres talk about reform, they shake their heads and say: "Although we have worked hard for 30 years, the pre-liberation days have been restored overnight," which means "restoration to capitalism." These views are absolutely different with those of the reformers. The reformers hold that they are not "taking the capitalist road" but "building Chinese-style socialism" instead.

Hu Qiaomu "Betrays" Deng Liqun

Here is another example: We still need evidence to prove whether or not Deng Liqun profoundly examined his mistake of vigorously going in for eliminating spiritual pollution. However, Deng Liqun is already notorious in the cultural, art, press, and publication circles. A director of a certain unit openly said that Deng Liqun is only qualified to be head of general affairs of a unit. Many others also hold that such an appraisal is appropriate. It is said that some time ago the supreme policymaker of the CPC approved Deng Liqun's resignation and removed him from the post of head of the Propaganda Department under the CPC Central Committee. It was only because the news of "Deng Liqun falling out of power," spread by the press in the United States, that the matter was put aside for the time being. At the panel discussion (preliminary meeting) of the 3d Plenary Session of the 12th CPC Central Committee, some people discussed questions ranging from the open-door policy to the problem of eliminating spiritual pollution. Hu Qiaomu, who joined Deng Liqun in launching the movement to "eliminate spiritual pollution," unexpectedly shirked the responsibility onto Deng Liqun, absolving himself from blame.

Hu Qiaomu's attempt was censured by a number of veteran cadres. Some people said: "This is the second time Hu Qiaomu has 'betrayed' his partner, Deng Liqun. The first time he 'betrayed' Deng Xiaoping during the 'Cultural Revolution.'" Deng Liqun has restrained himself recently and has seldom been as open to the public as he was in the past.

Deng Liqun has a daughter named Luo Xiaoyun, who was a press photographer for ZHONGGUO XINWEN SHE. Her skill in photography was not that of another photographer, Wang Miao, who came to Hong Kong some time ago. However, Luo Xiaoyun was unwilling to lag behind and maintained the spirit of catching up with the advanced. Some veteran reporters privately commented that such a state of affairs shows that Deng Liqun would soon be dismissed from office. If Deng Liqun were to fall from power, his children would have to rely on their skills to maintain their posts. In my opinion, in the current official circles, it is not an inevitable law for the children to suffer if their father falls from power. Although Geng Biao no longer has any power since he was blamed by Deng Xiaoping, isn't his daughter Geng Yan still working in the XINHUA NEWS AGENCY, Hong Kong branch?

Ye Jianying's Sense of Mystery

When determining the reformers at the high level of the CPC, the intellectuals in Beijing did not include Ye Jianying. Many people hold that Marshal Ye tends toward conservatism. The communique of the 3rd Plenary Session of the 12th CPC Central Committee pointed out: "Due to illness, Comrade Ye Jianying could not attend the session." This was quite true. However, it reminded the people of past events. By the end of June 1981, when the 6th Plenary Session of the 11th CPC Central Committee was discussing the "Resolution on Certain Questions in the History of the CPC Since the Founding of the PRC," Ye Jianying was also absent due to illness. However, Ye Jianying wrote a letter at that time to the 6th Plenary Session of the 11th CPC Central Committee: "As I was ill for a long time, I could not make a detailed study of the 'resolution.' However, I agree with and support this resolution prepared by the Central Committee." On this occasion, why is it that Marshal Ye did not write a letter to the 3d Plenary Session of the 12th CPC Central Committee expressing his consent on the "Decision on the Reform of the Economic Structure?"

An evident reason is that Marshal Ye was seriously ill. I reported Ye Jianying's condition in CHENG MING issue No 9. A person who visited Ye Jianying in his sickbed told me that Ye was suffering from pneumonia and his temperature was 36 degrees centigrade. Once he was in a coma and a tube was inserted into his throat, so that he could neither speak nor get up from bed. He was fed daily with more than 1 jin of nutritious liquid solution. Two doctors were assigned to take care of him. His sons Xuanming and Xuanji and his daughter Chumei, also took care of him. His son Ye Xuanping, mayor of Guangzhou City, also went to Beijing in October to see his father. It can thus be seen that Ye Jianying's condition, although stable, has not turned for the better. Although he can recognize the people visiting him, I believe that it is simply impossible for him to "study" the "decision," as he cannot even read. A friend of mine said: "Marshal Ye did not send a letter to the Central Committee expressing his consent to the 'decision.' Does this show that he holds different views?" This is indeed a question. In my opinion, the important officials at the higher level and his dependents are certainly not willing to let him worry about the matter.

Whatever the case may be, the people expect that Marshal Ye will not set himself against the reformers.

"The Hainan Disturbance"

Article 8 of the "Decision on the Reform of the Economic Structure" pointed out: It is necessary to further open the coastal cities to the outside world in the future. The "decision" did not specifically mention Hainan. However, the importance of Hainan, which is one of the regions opened to the outside, is second to none among the open coastal cities. Deng Xiaoping once said that Hainan Island should catch up with Taiwan within 20 years. It is thus obvious that Hainan Island is of particularly great significance to Zhongnanhai.

A great deal of news related to Hainan was recently spread in Beijing: "Hainan has reaped huge profits by importing vehicles;" "the businesses importing vehicles are almost all illegal;" "Hainan's Secretary Lei Yu has demanded that Hainan Region be upgraded to a province;" "Lei Yu intends to be a provincial governor;" and so on and so forth. It is difficult to distinguish which are rumors and which are facts. I was not aware of the situation until a cadre who had contacts with Gu Mu told me about the ins and outs of the story.

Hainan Island is rich in resources. However, the people on the island are generally poor. They have a lot of complaints about sending local products to other places (this matter is handled by the Guangdong authorities), which results in poverty on the island. There is a ballad which says: "Hainan Island is a precious island. But all good things are sent to other places, and what is left to us is only a pile of grass." This song expresses the feelings and opinions of the people there. When Deng Xiaoping suggested that Hainan Island catch up with Taiwan in 20 years, Lei Yu, deputy secretary of the CPC Committee of Hainan Region, who was formerly a secretary of Ren Zhongyi, demanded that Hainan Island be turned into a special zone. The CPC leaders have pointed out that Hainan Island should not be turned into a special zone, but it will be provided with greater decisionmaking power with regard to foreign economic relations and cooperation. Actually, many measures adopted by Hainan Island are more "special" than the special zone. It has made great profits from the business of buying and selling cars. Beijing issued documents criticizing improper measures taken by Hainan Island. However, in order to allow the island to become rich, it seems that Beijing has given tacit approval to what the island has done. Lei Yu is an open-minded intellectual (a university student). He is good at formulating plans, but is not well versed in management work. However, some "trouble" has occurred on the island. At present, Lei Yu has felt the pressure from this. Some people in Guangdong said that just like Feng Baiju, Lei Yu once intended to administratively upgrade Hainan to the provincial level. Thus, Lei Yu would become a provincial governor, and Hainan could free itself from the control of Guangdong Province. Feng Baiju was labeled an "advocator of localism," and cadres on the island still have a lingering fear when they recall this. Some people are outraged by the injustice done to Feng Baiju, but they are forced to keep their resentment to themselves. They say "Who knows if localism will not be criticized again." It is reported that Hainan intends to build a better house for the wife of Feng Baiju in order to invite her to live on the island.

With regard to the business of buying and selling cars and the administration of Hainan, there is obviously a conflict between Hainan Island and Guangdong Province. This conflict has not yet been solved.

Deng Xiaoping's Trip to the South and the Matter of Hainan

To solve the above conflict and strive for greater decisionmaking power, Lei Yu repeatedly went to Beijing to contact Gu Mu, and reported the situation in Hainan to Deng Xiaoping through Gu Mu. According to an unconfirmed report, with the help of Gu Mu, Lei Yu met Deng Xiaoping once and briefed him on the situation in Hainan. Guangdong Governor Liang Lingguang was also present at the meeting. Deng Xiaoping said that he hoped that Hainan Island would catch up with Taiwan by the end of this century.

Lei Yu asked Deng Xiaoping to give Hainan sufficient decisionmaking power. He said that only in this way could a new situation of developing Hainan and opening the island to the outside world be created.

Liang Lingguang said that Hainan had just started implementing the open-door policy, and still lacked experience. Therefore the central authorities would not excessively and hastily delegate power to the island. The implementation of the open-door policy on the island still needed great help from the Guangdong provincial government. Liang also pointed out that some confusion was created as a result of excessive imports of cars by Hainan.

Deng Xiaoping said that he did not see anything wrong with this. He added that even if it created confusion, there was nothing serious about it.

According to a confirmed report, Deng Xiaoping has planned to make a southern trip to Hainan Island on 28 November. The purpose of his trip is to be away from Beijing for the winter holidays and to inspect the island again. In the meantime, he will also suggest some ways to solve the conflict between Guangdong Province and Hainan Island.

If nothing unexpected happens, we believe that the day the December issue of CHENG MING is published, Deng Xiaoping will have already arrived on the island.

FOREIGN COMPANIES TO ATTEND PRC AVIATION EXPO

HK010318 Hong Kong SOUTH CHINA MORNING POST in English 1 Dec 84 Business News
Supplement p 1

[By Robert Mayerson]

[Text] Electrified by the prospect of a Chinese aviation bonanza, aerospace companies from all over the world will flock to Peking next week to show their wares at Aviation Expo China '84. The week-long event, sponsored by the Civil Aviation Administration of China (CAAC) and the China Aviation Supplies Corp, will represent an important opportunity for foreign concerns to sell equipment and technology to China's fast-growing aviation sector. Interest in the China market has rocketed since the announcement last month that CAAC, the creaky giant that has run all of China's air services, will split into three new companies in the first half of next year.

A spokesman for CAAC was unavailable for comment last night, but several aviation organisations with representation in Hong Kong -- including British Airways (BA), Hong Kong Aircraft Engineering Co (HAECO), Japan Air Lines (JAL) and Lockheed -- told Business News they would participate in the show.

HAECO, the locally-listed aircraft service firm which recently formed a partnership with China's aviation industry co-ordinating group, will have the largest individual exhibit, according to the Swire group subsidiary's services marketing manager, Mr Ken Galpin. He said the 3,000 sq ft HAECO hall, which will be jointly sponsored by the group's China joint venture company, South China Aero Technology (SCAT), will be manned by 30 people including 15 Hong Kong staff members. "Our stand is unique in that Chinese industry is with us, exhibiting to the West," he said.

BA, which has reserved a 600 sq ft stand, will send a team of 10 experts to Peking to demonstrate the British flag carrier's expertise in such areas as computerisation, consultancy, helicopters, engineering, navigation services, security, training and purchasing and supplies. "It will be one of the biggest exhibitions the airline has been involved in outside Britain and we will be there with a very high profile," said the business development manager of British Airways Associated Companies, Mr Mike Springate.

A JAL spokesman said several technically-oriented subsidiaries of the Japanese flag carrier will be represented in Peking.

US-based Lockheed-Georgia and Lockheed Air Terminals will also sponsor stands at the Peking show, according to a spokesman for the Hong Kong office.

ASSESSMENT OFFICE ISSUES REPORT ON PRC-UK ACCORD

HK291320 Hong Kong Asia Television Limited in English 1200 GMT 29 Nov 84

[Text] The majority of Hong Kong people have accepted the Sino-British joint declaration. That is the conclusion of the assessment office report released just an hour ago. The monitors' report was also released at the same time. Although it praises the office, in ways public concern over the confidentiality of submissions could have been averted. John Cookson reports:

[Begin Cookson recording] The overall picture, says the assessment office, is one of general acceptance. In coming to that conclusion it has taken into account reports and views expressed in all of Hong Kong's media. It has also considered the views from the major bodies, like the Executive Council, the Legislative Council, and the 18 district boards. The assessment office says the majority of the 430 recognized organizations and groups it consulted found the draft agreement acceptable. The report also says that nearly 2,000 letters were received from individuals. Most of those who expressed an opinion gave the Sino-British agreement a yes vote. Finally, in its acceptability test, the assessment office considered the views expressed in various independent opinion polls. The assessment office asked itself whether there was a silent majority whose voices had not been heard. The office concludes that if there is a silent majority, then whatever they think has been expressed through the various means open to them, like the district boards.

The report also publicizes some of the concerns Hong Kong people have about their future. These range from worries about the stationing of Chinese military forces in Hong Kong to the drafting of the basic law. The assessment office also heard worries about the maintenance of various rights and freedoms like the freedom of travel.

Also published tonight was the monitors' report from Mr Justice Lee and Sir Patrick Nairn. As we revealed earlier this week, in general it praises the work of the assessment office, saying it has acted properly, accurately, and impartially. However, there is one rap on the knuckles for both Whitehall and the authorities here on the question of confidentiality. Before disquiet was expressed through the media, the plan was to send all the views submitted to the assessment office to London where they could have been made public in 30 years. Now all the submissions will remain in Hong Kong and be destroyed. The monitors say there is no evidence to suggest the confidentiality factor had a damaging effect on the assessment as a whole, but they conclude public concern on the issue could have been avoided. Finally the monitors say the verdict of acceptance implies neither positive enthusiasm nor passive acquiescence. [end recording]

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4 Dec 1984

